

**New edition**  
**Registered with**  
**the Central Bank of Armenia**

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**CENTRAL DEPOSITORY OF ARMENIA**

**OPEN JOINT STOCK COMPANY**

# **TARIFF RULES**

**(New edition)**

# Article 1. General Provisions

## 1. Subject of the Rules

- 1.1. These Rules set out fees charged by the “Central Depository of Armenia” open joint stock company (hereinafter referred to as “the Depository”) for the services provided as part of its operations carried out in accordance with the Law of the Republic of Armenia “On Securities Market” (hereinafter also “the Law”).

## 2. Scope of the Rules

- 2.1. The requirements of these Rules shall apply to those issuers, registered shareholders (nominees), securities settlement system members and other persons, which in order defined by the Law and the Depository Rules use the services provided by the Depository as envisaged by these Rules.

## 3. Definitions

- 3.1. The concepts used in these Rules shall have the meanings as specified below:
  - 3.1.1. “**AMD**” shall mean the Armenian dram.
  - 3.1.2. “**Tariff**” shall mean the amount in AMD or a percentage to the main criteria of the relevant service, payable for the services provided by the Depository as envisaged by present Rules.
  - 3.1.3. “**Reference quarter**” shall mean a three month period defined every three months starting the beginning of the year. the three months period starting from the beginning of the year. The first reference quarter shall be the period starting from the date the shareholders (nominees) registry keeping agreement is concluded with the issuer up to the end of the three month period.
  - 3.1.4. “**Authorized electronic address**” shall mean the electronic address registered in the Central Bank of Armenia (hereinafter referred to as “the CBA”) CBANet computer network on Lotus Domino provided in the information card of the registered shareholder (nominee) being legal person, the authorized person of the latter, or stated in the agreement with the Depository, as well as the electronic address mentioned in the application submitted to the Depository. Any address provided to the Depository by a state body with a relevant notice shall also be considered an “Authorized electronic address”.
  - 3.1.5. “**Repo trade**” shall mean an agreement between two parties on concluding a repo and a return repo transactions, whereas according to the former the borrower of the funds shall sell an underlying financial instrument to the lender, and according to the latter, shall buy the same under the second transaction in future, on the conditions specified at the given time.
  - 3.1.6. “**Reverse repo trade**” shall mean an agreement between two parties on concluding a repo and a return repo transactions, whereas according to the former the borrower of a financial instruments shall buy it from the lender,

and according to the latter, shall sell the same under the second transaction in future, on the conditions specified at the given time.

- 3.1.7. **“Registry”** shall mean a system comprising the holders (nominal holders) of registered securities and the rights such securities certify, which identifies the holders (nominal holders) of securities and their authorized representatives, the number and the class of securities held by the registered holders (nominal holders) of securities or their authorized representatives, as well as any other related information.
  - 3.1.8. **“Electronic transfer, delivery of documents”** shall mean the electronic transmission of orders (inquires) in the format prescribed by the Depository rules, from any of the authorized electronic addresses to the Depository’s authorized electronic address, as well as provision of document(s) electronically by the Depository in reply to the applicants/persons, submitted orders and/or inquiries.
  - 3.1.9. **“Securities settlement system”** shall mean the body of administrative, technical, and legal measures aimed at fulfilling and guaranteeing the fulfilment of mutual obligations arisen out of transactions in securities, pursuant to the procedure defined by the Depository’s “Rules on Securities Settlement System”.
  - 3.1.10. **“Securities settlement system member”** shall mean the entity that has become a member of the securities settlement system in accordance with the Depository’s “Rules on Securities Settlement System”.
  - 3.1.11. **“OTC market”** shall mean the non-regulated securities market.
  - 3.1.12. **“Tranche”** shall mean any of the offers of securities issued pursuant to the same decision, but in several stages, which can differ in offer dates, maturities, and other terms and conditions.
- 3.2. Other concepts used in these Rules shall have the meanings as defined by the Law.

#### **4. Service Fee Denomination**

- 4.1. Payment for the Depository’s services envisaged under these Rules shall be made in Armenian Drams (AMD).
- 4.2. In case payment for a Depository’s service is to be calculated as a percentage of the main criteria of the service and those main criteria are denominated in foreign currency, the value of such criteria shall be converted into AMD, and the percentage envisaged shall be applied.
- 4.3. If the service’s main criteria value is denominated in currency, the fee for the service shall be calculated based on the official Central Bank of Armenia AMD exchange rate as of the day the documents, based on which the service is provided, were filed with the Depository.

#### **5. Payment Procedures**

- 5.1. Payment for services provided by the Depository shall be made in cash once documents required to get the services as stipulated by the Law, other legal acts, and the Depository Rules have been submitted to the depository (or the order/inquiry has been submitted electronically), or through a funds transfer -

prior to submitting to the Depository the documents required to get the services as stipulated by the Law, other legal acts, and the Depository Rules the relevant documents (prior to transmitting the order/inquiry electronically), except for where the payer where payment guarantees were given to the Depository; payment guarantees are expressly stated in the contract between the payer and the Depository, with payment deadlines indicated, or where the payer is a securities settlement system member. The guarantees stated in the provisions of the agreement shall serve as a ground for the payer, be that an entity that is an issuer, registered shareholder, nominal holder, securities settlement system member, or holding any other status, to make payments for all services received from the Depository according to the procedure and within deadlines set by the contract with the latter. If payment is to be effected via a funds transfer, to receive services envisaged by the Law, other legal acts, and the Rules of the Depository, the customer must also submit documents verifying that the payment has been or guaranteeing that it will be made.

- 5.2. As defined in point 6.1 of present Rules, while concluding a contract with the Depository on keeping the registry of securities holders (nominal holders), the issuer shall pay for the first reference quarter of using the Depository services in advance. If the contract for keeping the registry of securities holders (nominal holders) is concluded with the Depository at the end of the reference quarter, then fees for the next reference quarter must also be paid in advance. Shareholders (nominees) registry keeping contract shall not be signed with the issuer without a document proving that such advance payment has been effected.
- 5.3. After the end of the first reference quarter (and in case stated in point 5.2 of this Article – after the end of the reference quarter following the first reference quarter), payments for services defined in point 6.1 of these Rules shall be made on a monthly basis, on or before the fifth business day of each month.
- 5.4. Payment for services indicated in point 6.2 of these Rules shall be made twice a year, for the period from January 1 to December 31. The amount payable for services provided by the Depository under point 6.2 of these Rules shall be calculated twice a year, for the issuer's each registered security holder (nominal holder): the first as of July 1 and the second as of December 31, according to the Formula 1 below:

Formula 1.  $SP = (N * T / 182) * D$ , where

**SP** stands for the fee due;

**N** represents the number of shareholders;

**T** stands for the tariff rate that applies to the service according to point 6.2 hereof;

**D** stands for the number of days between January 1 and June 30 inclusive, and between July 1 and December 31 inclusive, for which the Depository provided services of recording and maintaining the registry of the issuer's registered securities holders (nominal holders).

In case the contract on shareholders (nominees) registry keeping services is terminated before July 1 (for the period from January 1 to June 30) or December 31 (for the period from July 1 to December 31), the tariffs, defined in point 6.2 Rules hereof and Formula 1 shall be calculated based on the number of shareholders (nominees) as of the contract termination date and the amount dues arrived to as a result of such calculation shall be paid prior to termination of the contract with the Depository. If an advance payment has been made for any of the services provided as of the contract termination date, the relevant amount shall be recalculated and returned.

- 5.5. The issuer shall pay the fees defined under point 6.2 of present Rules on or before July 30 of current year for the period from January 1 to June 30, and on or before February 10 of the following year for the period from July 1 to December 31. Securities settlement system membership fee shall be paid on a monthly basis, on or before the 5<sup>th</sup> business day. Payment for the Operator's services defined in point 8.2 Rules hereof shall be made on a semi-annual basis, whereas the first half of the total amount shall fall due until July 30 of the current year inclusive, while the second half - until February 10 of the following year inclusive.
- 5.6. Not paying duly and timely, as defined in points 5.3 and 5.4 Rules hereof for issuers and in point 5.5 for securities settlement system members, shall lead to imposing a penalty on the relevant issuer or security settlement system member at the rate of 0.15 per cent of the amount payable for each day of delay.
- 5.7. Tariffs for those services specified in the Article 2 hereof, which under the legislation of RA are subject to value added tax (VAT), do not include VAT calculated as envisaged by the RA legislation.
- 5.8. These rules cover those services, which the Depository provides on a paid basis. Any services other than those stated in these Rules will be provided free of charge.
- 5.9. The fractional part of any fee amount payable including VAT shall be rounded down with to the nearest AMD 1 (one).

## **Article 2. Tariffs for Services**

- 5.10. In cases when, according to the issuer's or registered shareholder (nominee) request or application/order/inquiry, any transactions/operations are performed or other services are provided, on the day the application/order/inquiry was received, fee rates stated below shall be doubled (main criteria shall also double if envisaged by these Rules).

## **6. Services to Issuers**

- 6.1. Keeping and maintenance of the registry of registered shareholder (nominees) (hereinafter: "the registry")**

6.1.1. Registry keeping and maintenance	AMD 3,000 monthly
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**6.2. Accounting and maintenance of shareholders (nominees) in the registry of the issuer**

6.2.1. Less than 49 registered shareholders (nominees)	AMD 700 per registered shareholder (nominee)
6.2.2. From 50 to 99 registered shareholders (nominees)	AMD 325 per registered shareholder (nominee)
6.2.3. From 100 to 199 registered shareholders (nominees)	AMD 300 per registered shareholder (nominee)
6.2.4. From 200 to 299 registered shareholders (nominees)	AMD 260 per registered shareholder (nominee)
6.2.5. From 300 to 499 registered shareholders (nominees)	AMD 230 per registered shareholder (nominee)
6.2.6. From 500 to 699 registered shareholders (nominees)	AMD 170 per registered shareholder (nominee)
6.2.7. From 700 to 999 registered shareholders (nominees)	AMD 150 per registered shareholder (nominee)
6.2.8. From 1000 to 1999 registered shareholders (nominees)	AMD 125 per registered shareholder (nominee)
6.2.9. 2000 and more registered shareholders (nominees)	AMD 75 per registered shareholder (nominee)

**6.3. Services conditioned by securities placement**

6.3.1. Writing off the securities from the issuance account of the issuer (except for corporate bonds) and entering them to the personal accounts of the shareholders (nominees) (except for public offering of stocks)	0.05% of total nominal value of securities placed (except for corporate bonds), min AMD 27,000, max AMD 600,000, irrespectively of the number of orders.
6.3.2. Writing off the bonds from the issuance account of the issuer and entering them to personal accounts of the shareholders (nominees)	AMD 27,000 per placement, for the whole process (or one tranche if placement is done in tranches), irrespectively of the number of orders and total nominal value of bonds issued.
6.3.3. Writing off the securities from the issuance account of the issuer and entering them to personal accounts of the shareholders (nominees) during public offering of stocks	0.05% of the total nominal value of securities placed, min AMD 27,000, max AMD 200,000, irrespectively of the number of orders

#### 6.4. Corporate actions related services

6.4.1. Charter capital increase with an increase in the stock nominal value, and decrease of charter capital with a decrease of the stock nominal value; purchase or buying out of the securities; redemption of securities as a result of their purchase or buying out; securities conversion as a result of reorganization (except for restructuring); securities consolidation; securities split; securities conversion to securities of another class according to the issuer's decision	0.05% of the total nominal value of convertible securities as a result of corporate action, min AMD 30,000, max AMD 600,000
6.4.2. Delivery of written notices to the registered shareholders (nominees) on the amount of fractional shares allocated to their personal accounts as a result of the issuer's corporate actions	AMD 5,000 per notice

#### 6.5. Provision at customer's request of the list of registered shareholders (nominees), statements of transactions, and other information

6.5.1. Provision of the issuer's registered shareholders (nominees) list (except for the first time in current year) upon the issuer's request for the second and each subsequent time in current year	AMD 6,000 per list of registered shareholders (nominees) if provided at the counter. AMD 3,000, if provided electronically; AMD 7,000 if sent by post
6.5.2. Provision of statement on transactions in the issuer's registered shares upon their inquiry	AMD 7,000 per registered shareholder; AMD 5,000 electronically
6.5.3. Provision of statement containing other information (other than transaction statement)	AMD 6,000 per statement; AMD 5,000 if provided electronically

#### 6.6. Changing of issuer's or security's details

6.6.1. Amendments of issuer's details, including address, organizational type, executive body, name of the company, or amending information about the security (dematerialization and vice versa)	AMD 1,000 per order/transaction
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## 6.7. Provision of security's identification number

6.7.1. Provision of securities identification number	AMD 50,000 per identification number
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## 7. Tariffs for services provided to registered holders (nominees) and to persons other than those defined by the Law and legal acts governing the securities market

### 7.1. Securities transfers

7.1.1. Securities transfer from one personal account to another based on transactions effected (except corporate bonds), donation (except donations to the Republic of Armenia, public organizations, orphanages, schools for children with limited capabilities, family members – spouses, underage children, lonely parents – of soldiers killed in Karabakh war or while protecting the borders of the Republic of Armenia), any other type of alienation (except cases defined in points 7.1.3 and 7.1.4 of the Rules), based on privatization of state-owned securities or a lawful court resolution in force, or a verdict (when the Depository is not the debtor under such resolution)	0.05% of the nominal value of security(ies) (total nominal value of securities) to be transferred according to the order (court resolution or verdict), min AMD 4,500, max AMD 600,000
7.1.2. Securities transfer from one private account to another based on inheritance	0.05% of the total nominal value of security(ies) transferred as inheritance, min AMD 1,000, max 5,000
7.1.3. Securities transfer from one private account to another based on repo or reverse repo agreements	AMD 4,500 per transfer instruction
7.1.4. Bonds transfer from one securities account to another on any basis (except for the cases defined in point 7.1.3 and donations to the Republic of Armenia, public organizations, orphanages, schools for children with limited capabilities, family members – spouses, underage children, parents left without care – of soldiers killed in Karabakh was or for defence of RA frontiers),	AMD 1,000 per transfer instruction/order

## 7.2. Securities blockage

7.2.1. Blockage of securities on the personal accounts of registered shareholders (nominees) at their or their authorized representative's request (other than securities blockage (pre-deposition) of securities for trading in the regulated market)	0.05% of the total nominal value of blocked security(ies) mentioned in the blockage instruction, min AMD 5,300, max AMD 600,000
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## 7.3. Provision of statements on transactions and registry information, replying to other inquiries

7.3.1. Providing excerpts from registry or personal account; statements on transactions over the personal account, except for requests from registered shareholders (nominees) on the transaction date, as well as responses to inquiries or resolutions of courts, service for compulsory execution of judicial acts or the investigator	AMD 1,000 per excerpt/statement on transactions, if provided at the counter, AMD 500 if to be sent electronically; AMD 2,000 if to be delivered by post;
7.3.2. Provision of statements from registry and personal accounts containing other details, including based on the inquiry of the registered shareholder (nominee) (except inquiries on information about transactions)	AMD 1,000 per excerpt/statement on operations; AMD 500 if to be provided electronically
7.3.3. Responding to the requests of persons other than those envisaged by the Law, other legal acts governing the securities market.	AMD 7,000 per response shall be charged to the requesting entity

## 8. Fees Related to the Securities Settlement System

### 8.1. Securities settlement system membership and related fees

8.1.1. Admission fee for securities settlement system membership	flat fee of AMD 60,000
8.1.2. Securities settlement system membership fee	AMD 10,000 per month

## **8.2. Fees charged to the market Operator for defining mutual liabilities arisen out from exchange trades, as well as the clearing and settlement thereof**

8.2.1. Defining of mutual liabilities arisen from exchange trades and clearing	AMD 1,500,000 annually
8.2.2. Settlement of transactions in securities and cash concluded at the regulated market	AMD 2,000,000 annually

## **9. New Services**

9.1. Notifying the issuer on securities turnover (securities transfer orders and their blockage as pledge)	AMD 42,000 annually, irrespective of the number of notices
9.2. Supervision over the issuer's securities acquisition and other limitations as set out in the Law and the issuer's Charter	AMD 300,000 monthly
9.3. Suspension of voting rights on blocked shares	1% of the total nominal value of pledged share(s)
9.4. Amendments / clarifications to previously submitted orders	AMD 15,000 per amendment/operation
9.5. "Delivery versus payment" for securities transfers on OTC market	1% of the total nominal value of securities transferred
9.6. Securities placements, corporate actions, securities blockage and transfer, where the customer expresses a wish (in writing) to also use consulting services related to the process: "Service+Consulting"	double the fee set for the relevant service (per cent)

## **Article3. Miscellaneous**

### **10. Validity**

- 10.1. These Rules shall come into force on January 1, 2010, upon approval by the Supervisory Board of the Depository and registration with the Central Bank of Armenia.
- 10.2. Any amendments and addenda hereto shall be approved by the Supervisory Board of the Depository and registered with the Central Bank of Armenia.
- 10.3. Should any amendments hereto be introduced by the Depository, the latter shall be obliged to notify accordingly in due course all those issuers, with whom it has concluded securities holders (nominees) registry keeping contracts, as well as securities settlement system members. Such notification shall be considered duly

delivered once new or amended rules are placed on the official web-site and/or the abovementioned rules are posted in the Depository's public areas.

- 10.4. Tariffs for new services envisaged in point 9 hereof shall come into force upon approval/coming into force of the CBA legal acts, regulating the procedure and terms and conditions for their delivery, as well as upon registration of the Depository's relevant rules with the CBA.

**Approved by  
Supervisory Board  
“Central Depository of Armenia” ojsc**

\_\_\_\_\_ **Armen Melikyan**  
**26.11.2009**  
**Yerevan**