

Registered

with the Central Bank
of the Republic of Armenia

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Chairman

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**ARMENIA STOCK EXCHANGE
OPEN JOINT-STOCK COMPANY**

SECURITIES PLACEMENT RULES

These Rules define the procedure for securities placement on the Armenia Stock Exchange, as well as securities auction methods and forms.

SECTION I. GENERAL PROVISIONS

Chapter 1. Concepts

- 1) Concepts used in these Rules shall have the meanings defined under this Chapter.
- 2) **Placement system:** An integrity of trading system used on the Stock Exchange for organization of electronic exchange trade and a software module constituting a part of the trading system and employed for securities placement, which is designed for organization and conducting of securities placement, processing and maintenance of related information, as well as implementation of other functions defined under these Rules.
- 3) **Auction:** Competitive bidding arranged for placement of issued securities, through which potential buyers submit buy orders that are registered, classified and matched in the placement system, which orders can be satisfied only upon existence of respective counter orders.
- 4) **Stock Exchange abbreviation:** Identification code characterizing the same class of securities authorized for placement.
- 5) **Transaction conclusion:** Agreement reached via electronic communication means between placement system participants with respect to material conditions of securities trading during a placement session in the manner provided hereunder, as well as the rights and obligations resulting from securities trading.
- 6) **Competent Subdivision:** Authorized subdivision of the Stock Exchange implementing functions of securities placement and conducting of placement sessions.
- 7) **Competitive order:** A buy (sell) order that can be satisfied, either partially or fully, at or below (above) the price specified in the order.
- 8) **Noncompetitive order:** A buy order that can be satisfied, either partially or fully, at the best selling price, otherwise it will not be included in the bid queue.
- 9) **Placement date:** A business day during which the placement of securities is organized on the Stock Exchange.
- 10) **Placement session:** Time period during a Placement date when the placement of securities is effected.
- 11) **Placement participant:** An individual authorized by a Stock Exchange Member to participate in the securities placement, who has relevant professional qualification and may participate in the securities placement on behalf of the Stock Exchange Member in the manner prescribed in these Rules.
- 12) **Underwriter:** A Stock Exchange Member who acquires securities from the issuer for further placement and/or offers the issuer's securities for placement, or sells the issuer's securities, or otherwise participates in an agreement or contract to execute such a deal.
- 13) Other concepts used in these Rules shall have the meanings defined in the Law of the Republic of Armenia "On Securities Market" and the Stock Exchange Rules.

Chapter 2. General Provisions

- 1) Placement dates and time periods for conducting placement sessions shall be defined by the decision of the Head of the Stock Exchange Executive Body on authorization of securities for placement, as agreed with the Issuer or Underwriter (with the exception of non-business days and holidays).
- 2) Placement participants shall be notified of the opening and closing of the placement session by a relevant message delivered to them via placement system.
- 3) Stock Exchange Members may directly participate in the placement in compliance with the procedure established under these Rules.
- 4) Stock Exchange Members may participate in the placement as an underwriter or buyer.
- 5) The underwriter may act:
 - a) on his own behalf and account if he has acquired the Issuer's securities for their further placement, or

- b) on his own behalf and on the Issuer's account if he offers for placement the Issuer's securities that are not owned by him and are subject to placement.
- 6) The buyer may act:
 - a) on his own name and account, or
 - b) on his own name and the customer's account.

Chapter 3. Placement Method

- 1) The placement is effected through auctions, with pre-deposition of securities and cash funds designated for such auctions.
- 2) Any participant who acts as a buyer during the placement may enter into transactions within the limits of pre-deposited cash funds.
- 3) During the placement an underwriter may enter into transactions within the limits of pre-deposited securities.
- 4) Upon satisfaction of a buy order (conclusion of a transaction) entered into the placement system by a participant acting as a buyer, the balance of securities of a given class acquired as a result of the transaction shall be increased by the number of purchased securities, and the balance of cash funds shall be reduced by the transaction amount.
- 5) Upon satisfaction of a sell order (conclusion of a transaction) entered into the placement system by an underwriter, the balance of securities of a given class sold as a result of the transaction shall be reduced by the number of sold securities, and the balance of cash funds shall be increased by the transaction amount.

Chapter 4. Auction Methods and Forms

- 1) Securities placement auctions may be held either through public or private method, during which Stock Exchange Members, other than underwriters, may act exclusively as buyers.
- 2) Public auctions may be held in the following forms:
 - a) public standard auction;
 - b) uniform price public auction, in consideration of buy order prices;
 - c) uniform price public auction, without consideration of buy order prices.
- 3) Private auctions may be held in the following forms:
 - a) private standard auction;
 - b) mixed private auction;
 - c) weighted average price private auction;
 - d) uniform price private auction, in consideration of buy order prices;
 - e) uniform price private auction, without consideration of buy order prices;
 - f) private yield auction.
- 4) The placement of securities at public standard auctions may be carried out by more than one underwriter.
- 5) The placement of securities at private and uniform price public auctions is carried out by only one underwriter.
- 6) The method and form of holding an auction shall be selected by the Issuer or the underwriter authorized by him.

SECTION II. PUBLIC AUCTION

Chapter 5. General Conditions of Public Auction

- 1) A placement participant having acted as a buyer at a public auction may not sell the security acquired as a result of placement.
- 2) Placement participants acting as buyers, who are willing to buy securities under placement on their own account or on the account of their customers, may enter into the placement system competitive buy orders only.

Chapter 6. Special Conditions of Public Standard Auction

- 1) Placement of securities through public standard auction may be carried out in two forms:
 - a) nominal public standard auction;
 - b) ordinary public standard auction.
- 2) Upon nominal standard public auction, along with material conditions of a placement participant's buy order entered into the placement system, his commercial code shall also be disclosed, whereas upon ordinary public standard auction no commercial code shall be disclosed.
- 3) At public standard auction the underwriter shall communicate via placement system to other participants the price at which he intends to sell the securities under placement. Placement participants, in their turn, shall enter orders into the system at a price for which they are ready to buy the securities offered for sale.
- 4) At public standard auction the price of concluded transactions is formed in the course of two-sided uninterrupted auction.
- 5) At public standard auction the orders with maximum price are satisfied in a priority order, while other orders with identical prices are satisfied according to time sequence of their entry into the placement system.
- 6) During public standard auction the conditions of each order entered by participants into the placement system are matched with the conditions of orders pending in the Queue of Counter Orders. Upon existence of a respective order (orders) in the Queue, the fact of conclusion of a transaction (transactions) is registered in the placement system.
- 7) If an order entered into the placement system, after being satisfied by all respective counter orders (after conclusion of transactions), still remains only partially satisfied, the remainder (non-satisfied part of the order) shall be included in the Queue in the manner specified in Clause 8) of Chapter 18 hereof:
- 8) Upon absence of respective counter orders in the Queue, the entered buy order shall be included in the Queue in the manner specified in Clause 8) of Chapter 18 hereof:

Chapter 7. Special Conditions of Uniform Price Public Auction (In Consideration of Buy Order Prices)

- 1) Along with general conditions of public auction, with respect to uniform price public auction (in consideration of buy order prices) general conditions of private auction shall also apply, with the following exceptions:
 - a) no noncompetitive buy order may be filed;
 - b) no order subject to full satisfaction may be filed.
- 2) For conclusion of a transaction at uniform price public auction (in consideration of buy order prices) such orders shall be selected and satisfied (among maximum price orders) which offer prices exceeding the one indicated in the sell order (cut price). Orders with identical prices shall be selected and satisfied according to time sequence of their entry into the placement system.
- 3) All competitive orders, selected and subject to satisfaction, shall be satisfied at the cut price.

Chapter 8. Special Conditions of Uniform Price Public Auction (Without Consideration of Buy Order Prices)

- 1) Along with general conditions of public auction, with respect to uniform price public auction (without consideration of buy order prices) general conditions of private auction shall also apply, with the following exceptions:
 - a) no noncompetitive buy order may be filed;
 - b) no order subject to full satisfaction may be filed.
- 2) For conclusion of a transaction at a uniform price public auction (without consideration of buy order prices) such orders shall be selected and satisfied which offer prices exceeding the one indicated in the sell order (cut price),
 - 1) All competitive orders, selected and subject to satisfaction, shall be satisfied at the cut price and according to time sequence of their entry into the placement system.

SECTION III. PRIVATE AUCTION

Chapter 9. General Conditions of Private Auction

- 1) Private auction is held through three phases:
 - a) filing of competitive and noncompetitive buy orders for securities acquisition by any placement participant acting as a buyer (prior to the auction opening);
 - b) termination of the process of filing competitive and noncompetitive buy orders for securities acquisition by any placement participant acting as a buyer;
 - c) filing of securities sale competitive order by underwriter and conducting of auction, during which securities sale transactions are concluded.
- 2) The underwriter may enter a securities sale competitive order into the placement system only through the Competent Subdivision of the Stock Exchange.
- 3) Private auction forms vary by the procedure of transaction conclusion on the basis of buy and sell orders, as well as by transaction price determination method.
- 4) At private auction securities buy orders are satisfied in the following sequence:
 - a) first – all competitive orders offering a price higher or equal to (for yield auction – less or equal to) the sell order price (for yield auction – the yield value indicated in the sell order);
 - b) second – noncompetitive orders.
- 5) Where only a part of noncompetitive orders is subject to satisfaction, the selection and satisfaction of that part of orders is performed according to time sequence of their entry into the placement system.

Chapter 10. Special Conditions of Private Standard (European) Auction

- 1) Orders entered during private standard auction shall be satisfied in the following sequence:
 - a) first – all competitive orders subject to satisfaction;
 - b) second – noncompetitive orders – according to time sequence of their entry into the placement system.
- 2) Transactions on competitive buy orders shall be concluded at prices specified in buy orders, according to decreasing sequence of prices. Orders with identical prices shall be satisfied according to time sequence of their entry into the placement system.
- 3) Transactions on noncompetitive buy orders shall be concluded at prices specified in buy orders, other than in case referred to in Clause 4) of this Chapter.
- 4) If the aggregate quantity of securities specified in noncompetitive orders and maximum price competitive orders exceeds the total number of securities under placement, first the maximum price competitive orders shall be satisfied, and then – noncompetitive orders, at the same prices as maximum price competitive orders.

Chapter 11. Special Conditions of Weighted Average Price Private (American) Auction

- 1) Competitive orders filed during weighted average price private auction shall incorporate an additional special mandatory condition providing for a maximum amount of cash funds within the limits of which securities may be acquired and which may not be less than the product of the number of securities put on auction and their unit price.
- 2) For conclusion of transactions such orders shall be selected and satisfied which offer prices exceeding the unit price indicated in the sell order (cut price), All competitive orders, selected and subject to satisfaction, shall be satisfied at weighted average price.
- 3) Weighted average price is equal to the ratio of the total amount of all competitive orders subject to satisfaction to the total number of securities specified in those orders. A part of competitive orders may be satisfied at a price greater than the one indicated in the orders, whereas competitive orders with a maximum amount of cash funds not sufficient for their satisfaction at weighted average price shall not be satisfied.
- 4) All noncompetitive buy orders shall be satisfied at the same weighted average price. First shall be satisfied competitive buy orders subject to satisfaction at maximum price, and then - other buy orders with identical prices which shall be satisfied according to time sequence of their entry into the placement system, other than cases referred to in subparagraph 5) b) of this Chapter.

- 5) If the number of securities put for sale (N_{sale}) is less than the sum of securities indicated in competitive orders (N_{compet}) and noncompetitive orders ($N_{\text{noncompet}}$) ($N_{\text{sale}} < (N_{\text{compet}} + N_{\text{noncompet}})$), the number of securities specified in competitive and noncompetitive orders subject to satisfaction shall be determined in the following manner:
 - a) if $N_{\text{sale}} > N_{\text{noncompet}}$, then all competitive orders subject to satisfaction and $(N_{\text{sale}} - N_{\text{noncompet}})$ noncompetitive orders shall be satisfied. The price of all transactions will be equal to weighted average price of such $(N_{\text{sale}} - N_{\text{noncompet}})$ noncompetitive orders.
 - b) if $N_{\text{sale}} < N_{\text{noncompet}}$, then all competitive orders with maximum price (designated as M_{compet}) and $(N_{\text{sale}} - M_{\text{compet}})$ noncompetitive orders shall be satisfied, which are classified in the placement system according to time sequence of their entry. The price of transactions based on noncompetitive orders is equal to that of maximum price competitive orders.

Chapter 12. Special Conditions of Mixed Private Auction

- 1) During mixed private auction competitive buy orders shall be satisfied at the same price as indicated therein, according to their price priorities, and in case of equal prices – according to time sequence of their entry into the placement system.
- 2) Non-competitive buy orders shall be selected and satisfied at weighted average price of competitive orders subject to satisfaction, according to time sequence of their entry into the placement system, other than in case referred to in sub-clause 4) b) of this Chapter.
- 3) Weighted average price is equal to the ratio of the total amount of satisfied competitive orders to the total number of securities specified in those orders.
- 4) If the number of securities put for sale (N_{sale}) is less than the sum of securities indicated in competitive orders (N_{compet}) and noncompetitive orders ($N_{\text{noncompet}}$) ($N_{\text{sale}} < (N_{\text{compet}} + N_{\text{noncompet}})$), the number of securities indicated in competitive and noncompetitive orders subject to satisfaction shall be determined in the following manner:
 - a) if $N_{\text{sale}} > N_{\text{noncompet}}$, then all competitive orders subject to satisfaction and $(N_{\text{sale}} - N_{\text{noncompet}})$ noncompetitive orders shall be satisfied. The price of transactions based on non-competitive orders will be equal to weighted average price of such $(N_{\text{sale}} - N_{\text{noncompet}})$ competitive orders.
 - b) if $N_{\text{sale}} < N_{\text{noncompet}}$, then all competitive orders with maximum price (designated as M_{compet}) and $(N_{\text{sale}} - M_{\text{compet}})$ noncompetitive orders shall be satisfied, which are classified in the placement system according to time sequence of their entry. The price of transactions based on noncompetitive orders is equal to that of maximum price competitive orders.

Chapter 13. Special Conditions of Uniform Price Private Auction (In Consideration of Buy Order Prices)

- 1) For conclusion of transactions during uniform price private auction (in consideration of buy order prices) such competitive buy orders shall be selected and satisfied which offer prices exceeding the one indicated in the sell order (cut price). All competitive orders, selected and subject to satisfaction, shall be satisfied at the cut price, according to price priorities, and in case of equal prices – according to time sequence of their entry into the placement system.
- 2) All noncompetitive buy orders shall be satisfied at the same cut price, according to time sequence of their entry into the placement system.

Chapter 14. Special Conditions of Uniform Price Private Auction (Without Consideration of Buy Order Prices)

- 1) For conclusion of transactions during uniform price private auction (without consideration of buy order prices) such competitive buy orders shall be selected and satisfied which offer prices exceeding the one indicated in the sell order (cut price). All competitive orders, selected and subject to satisfaction, shall be satisfied at the cut price. All non-competitive buy orders shall be satisfied at the same cut price.
- 2) All competitive and noncompetitive buy orders subject to satisfaction shall be satisfied according to time sequence of their entry into the placement system.

Chapter 15. Special Conditions of Private Yield Auction

- 1) Private yield auctions are held for placement of bonds. In case of private yield auction, the annual bond yield or coupon yield, as determined by the Issuer's decision, shall be indicated in competitive orders. Upon conclusion of a transaction during bonds placement, such competitive buy orders shall be selected and satisfied which offer annual or coupon yield less than or equal to the annual or coupon yield value indicated in the sell order.
- 2) During coupon yield private auction all competitive orders, selected and subject to satisfaction, shall be satisfied at par value of the bond, according to decreasing sequence of coupon yield, and in case of equal coupon yields all orders shall be satisfied according to time sequence of their entry into the placement system.
- 3) During annual yield private auction all competitive orders, selected and subject to satisfaction, shall be satisfied at par value of the bond, according to decreasing sequence of annual yield, and in case of equal yields all orders shall be satisfied according to time sequence of their entry into the placement system.
- 4) All noncompetitive buy orders subject to satisfaction shall be satisfied at par value of the bond, according to time sequence of their entry into the placement system.

SECTION IV. PLACEMENT PROCEDURE

Chapter 16. Securities Subject to Authorization for Placement

- 1) All securities, whose prospectus has been registered with the RA Central Bank in the manner prescribed by the RA Law "On Securities Market", may be object of placement.
- 2) The requirement set by clause 1 of this Chapter shall not apply to the securities defined by Article 4 of the RA Law "On Securities Market".

Chapter 17. Procedure for Authorization of Securities for Placement

- 1) Provisions of this Chapter shall not apply to the securities issued by the Republic of Armenia or the Central Bank, and relations associated with authorization of such securities for placement shall be regulated by the contract signed with the Stock Exchange.
- 2) In order to organize the placement of securities, the issuer or underwriter shall submit to the Stock Exchange the following:
 - a) an application in the form provided for in Annex 1 hereto, certified by the issuer's or underwriter's seal and bearing the signature of its authorized representative;
 - b) a copy of the Securities Prospectus registered with the Central Bank and a copy of the Central Bank decision on registration of the Prospectus, other than for securities defined by Article 4 of the RA Law "On Securities Market";
 - c) a copy of the decision on securities issuance attested by the issuer's seal and the signature of its authorized representative;
 - d) a reference evidencing that as of the application filing date the issuance account of securities subject to placement is maintained by a relevant body defined by the law;
 - e) a copy of the contract signed between the issuer and underwriter, if the issuer does not carry out the placement of its securities on its own;
 - f) other documents as determined at the discretion of the issuer or underwriter.
- 3) Proceeding from the need for protection of investors' interests, the Stock Exchange may require additional documents or information to be submitted by issuers or underwriters.
- 4) The application shall be deemed to be filed at the moment of its receipt by the Stock Exchange. The information to be included in the application and supporting documents pursuant to this Chapter shall be accurate, without misrepresentation and/or omission of any material fact.
- 5) Within 3 (three) business days after filing of the application with the Stock Exchange, the Head of the Stock Exchange Executive Body shall take a decision on approval or rejection of the application.
- 6) The application may be rejected on the following grounds:

- a) information stated in the application and documents enclosed therewith are incomplete, or there is misrepresentation or omission of a material fact;
 - b) there is inconsistency with the Law or other decisions (normative legal acts) adopted on the basis thereof as well as with the Stock Exchange Rules, or there exists any other ground for rejection stipulated by them.
- 7) The decision of the Stock Exchange Executive Body on rejection of the application shall also specify the ground for rejection as referred to in sub-clauses 6) a) and/or b) of this Chapter.
 - 8) The decision of the Stock Exchange Executive Body on approval of the application shall contain the following information:
 - a) method and form of holding the placement auction;
 - b) placement terms.
 - 9) After taking a decision on approval or rejection of the application the Stock Exchange Executive Body shall inform the issuer or underwriter about it.

Chapter 18. Filing of Competitive and Noncompetitive Orders

- 1) Upon registration in the placement system the participants may, starting from the placement session opening and in compliance with these Rule, enter into the placement system the following:
 - a) buy or sell orders for securities authorized for placement during public standard auction;
 - b) buy or sell orders for securities authorized for placement during private and uniform price public auctions.
- 2) Any participant who acts as a buyer during the placement session may enter the following types of orders into the placement system:
 - a) according to purchase condition – competitive order, and in case of private auction – also noncompetitive order;
 - b) according to quantitative condition of satisfaction – full or partial satisfaction order: the condition of full satisfaction may not be applied in all forms of public auction.
- 3) Any participant who acts as an underwriter during public standard auction may enter the following types of orders into the placement system:
 - a) according to purchase condition – competitive order;
 - b) according to quantitative condition of satisfaction – full or partial satisfaction order: the condition of full satisfaction may not be applied in all forms of public auction.
- 4) During public standard auction each placement participant may enter buy or sell orders into the placement system starting from the placement session opening until its closing.
- 5) During private and uniform price public auctions each placement participant who acts as a buyer may enter buy orders into the placement system within the timeframe set by the Issuer for submission of buy orders. Upon expiry of the term set by the Issuer for submission of buy orders, the entry of buy orders into the placement system by participants acting as buyers shall be promptly ceased.
- 6) During private and uniform price public auctions, upon expiry of the timeframe set for submission of buy orders, the underwriter may file a sell order in compliance with the securities issuance terms.
- 7) The start and completion of placement during a placement session, including terms for entering buy and/or sell orders into the system, shall be established pursuant to the procedure defined by clause 1) of Chapter 2 hereof.
- 8) Buy and sell orders entered by placement participants into the placement system during public standard auction are included into two separate Queues according to their price priorities. Buy orders are classified in the respective Queue by decreasing sequence, and sell orders – by increasing sequence of prices. In case of equal prices in more than one orders included in the same Queue, such orders shall be classified according to time sequence of their entry.
- 9) Buy orders entered into the placement system during private and uniform price public auctions by placement participants acting as buyers are included into one separate Queue according to their price priorities. Buy orders are classified in the respective Queue by decreasing sequence, and sell orders – by increasing sequence of prices. In case of equal prices in more than one orders included in the same Queue, such orders shall be classified according to time sequence of their entry.

- 10) During public standard auction each placement participant has a right to withdraw from the Queue his previously entered but not yet satisfied order, as well as modify the conditions specified therein.
- 11) During uniform price public auction buy orders are entered into the placement system in the manner defined in clause 12) of this Chapter.
- 12) During private auction each placement participant acting as a buyer may, prior to the expiry of the term set for submission of buy orders, withdraw his previously submitted orders included in the Queue, as well as modify the conditions specified therein.
- 13) Orders entered into the placement system shall be denominated in Armenian Drams (AMD), other than during private yield auction, in which case orders shall be expressed as a percentage of annual yield.
- 14) No restrictions are imposed on the total number of securities included in competitive orders filed by any placement participant acting as a buyer.
- 15) During public standard auction each of the placement participant may have access to all orders entered into the placement system, with or without disclosure of the applicant's commercial code.
- 16) During private and uniform price public auctions the underwriter may have access to all buy orders entered into the placement system, whereas the placement participant acting as a buyer may have access only to the buy orders having been entered into the placement system by him.
- 17) Orders filed during public standard auction shall contain the following essential conditions for satisfaction:
 - a) Stock Exchange abbreviation of security;
 - b) type of order (buy or sell);
 - c) price per security (with the exception of noncompetitive order);
 - d) number of lots;
 - e) type of order according to quantitative and price conditions.
- 18) Orders filed during private and uniform price public auctions shall contain the following essential conditions for satisfaction
 - a) Stock Exchange abbreviation of security,
 - b) type of order (buy order),
 - c) price per security (with the exception of noncompetitive order; in case of private yield auction the percentage of annual yield shall be specified instead of the price);
 - d) amount of cash funds frozen in the placement system to secure the order (in case of noncompetitive order);
 - e) number of lots;
 - f) type of order according to quantitative and price conditions.

Chapter 19. Conclusion of Transactions

- 1) During securities placement, a transaction shall be deemed to be concluded since the moment of recording the fact of conclusion in the placement system.
- 2) Orders entered into the placement system by any placement participant shall be selected and satisfied as follows:
 - a) in public auctions – in compliance with conditions referred to in Chapters 5 through 8 of these Rules;
 - b) in private auctions – in compliance with conditions referred to in Chapters 9 through 15 of these Rules.
- 3) Orders not satisfied during a given placement session shall be cancelled and during the next placement session shall not be included in the respective Queue.
- 4) Within 1 hour after closing of the placement session the Competent Subdivision of the Stock Exchange shall execute registration certificates for concluded transactions in compliance with *General Trading Rules* of the Stock Exchange.
- 5) Electronic copy of Transaction Registration Certificate shall be forwarded to a respective Stock Exchange Member's authorized electronic address registered in Lotus Domino server of CBANet computer network, except for the case referred to in clause 6) of this Chapter. Messages accompanying each electronic copy of Transaction Registration Certificate shall have an option of receiving delivery/receipt confirmation reports, and shall be protected by electronic signature and password.

- 6) If a Stock Exchange Member is not connected to CBANet computer network, or the message delivery via CBANet computer network is impossible, the Transaction Registration Certificate shall be prepared in paper form, in two copies, one of which shall be delivered to the respective transaction party under signature, and the other copy shall be kept at the Stock Exchange.
- 7) The form of Transaction Registration Certificate shall be defined by the Stock Exchange Executive Director.
- 8) The placement of securities that have not been placed during the auction may be effected in the manner defined by these Rules.

Chapter 20. Execution of Transactions

- 1) As stipulated by the agreement signed between the Stock Exchange and the Depository, after completion of the placement session the Stock Exchange shall furnish the Depository with information re concluded transactions, based on which the Depository shall make transaction related settlements. This condition shall not apply when the placement has been cancelled or invalidated, in which case the Depository will not make any settlements and will transfer deposited funds to the placement participants in accordance with the procedure defined by its Rules.
- 2) Settlements of transactions concluded during the placement shall be carried out during the day of their conclusion.
- 3) Stock Exchange Members within whose composition or on whose behalf the placement participants - transaction parties act, shall pay to the Stock Exchange relevant commissions as stipulated by the Stock Exchange Tariff Rules.

Chapter 21. Cancellation or Invalidation of Placement

- 1) Placement shall be deemed to be cancelled, if:
 - a) upon summing up of placement results it turns out that essential placement conditions stipulated by the Issuer's prospectus or decision on issuance have not been fulfilled;
 - b) during the whole period of placement no transaction on any competitive buy order has been concluded
- 2) The placement shall be deemed invalid if organized or conducted with violations.

SECTION V. TRANSITIONAL PROVISIONS

Chapter 22. Alterations and Amendments

- 1) All alterations and amendments to these Rules shall constitute an integral part thereof and shall take effect in the manner stipulated by the law, unless otherwise provided herein.

**Approved by the Resolution of the
ARMENIA STOCK EXCHANGE OJSC
Supervisory Board**

_____ **Johan Fredholm**

**June 13, 2008
Yerevan
ASE-01/099L**

Application on Securities Placement

Hereby _____ requests
(Name of the issuer or underwriter)

the Armenia Stock Exchange to service the placement of the below listed securities:

1. Information on the issuer

1.1. Name

Full name in Armenian as specified in founding documents (also in Russian and English, if any)	
Abbreviated name in Armenian as specified in founding documents (also in Russian and English, if any)	

1.2. Address and communication means

Location	
Mailing address (place of business)	
Telephone	
Fax	
E-mail	
Website address	

1.3. Registration data

Country of registration	
Registration number and date (dd/mm/yy)	

1.4. Activity license (if any)

(Specify type, number, issuance date, validity period of the license, issuing authority and types of activities authorized under the license)

1.	
2.	
..	

1.5. Information on the issuer's managers and responsible employees

(Provide information on the Head and Deputies (members) of the Executive body, Chief Accountant and employees responsible (authorized) for relations with the Stock Exchange)

N	First name, last name	Position held in the Issuer's structure and date of admission to that position	Communication means (telephone, fax, e-mail)
1.			
2.			
..			

2. Information on the underwriter (if any)

Full name in Armenian	
Mailing address	
Communication means	
Data on the employee responsible for placement (first name, last name, position held and date of admission to that position, communication means)	

3. General information on securities

Class (type) of security	
Form of security (material or non-material)	
Body having taken the decision on issuance and date of the decision (dd/mm/yy)	
Volume of issue (at par value)	
Issued quantity	
Par value of security	
Convertibility	
Form of trading	
Coverage	
Placement startup date (dd/mm/yy)	
Placement completion date (dd/mm/yy)	
First day of trading on the Primary market (dd/mm/yy)	
Restrictions imposed on investors	
Other essential conditions for securities and their issuance, placement, trading, redemption, etc.	

4. Additional information on securities (bonds)

Trading term	
Possibility for early redemption	
Last date of trading (dd/mm/yy)	
Redemption date (dd/mm/yy)	
Procedure of redemption (coupon payment)	
Place of redemption (coupon payment)	
Coupon yield	
Coupon payment periodicity	
Coupon payment dates (dd/mm/yy)	
Data on compilation of the list of owners (closing of registry) for coupon payment and bond redemption ¥dd/mm/yy hour/minute	

5. Formula through which security price/yield ratio (for bonds) is determined:

6. Applicable form of auction for securities placement

<p>Public standard auction</p> <p><input type="checkbox"/> nominal <input type="checkbox"/> ordinary</p> <p><input type="checkbox"/> Uniform price public auction (in consideration of buy order prices)</p> <p><input type="checkbox"/> Uniform price public auction (without consideration of buy order prices)</p>	<p><input type="checkbox"/> Private standard auction</p> <p><input type="checkbox"/> Mixed private auction</p> <p><input type="checkbox"/> Weighted average price private auction</p> <p><input type="checkbox"/> Uniform price private auction (in consideration of buy order prices)</p> <p><input type="checkbox"/> Uniform price private auction (without consideration of buy order prices)</p> <p><input type="checkbox"/> Private yield auction</p>
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Head of
Executive Body

_____ (title)

_____ (first name, last name)

_____ (signature)



Date: _____