

BOARD OF THE REPUBLIC OF ARMENIA CENTRAL BANK

MAY 2, 2011

NO. 115-N

RESOLUTION

ON APPROVAL OF REGULATION 10/05

“ON ACCREDITATION OF MANAGERS OF INVESTMENT FUND MANAGERS AND CUSTODIANS, NATURAL PERSONS EXECUTING INVESTMENT FUND MANAGEMENT ACTIVITY AND INVESTMENT FUND CUSTODY KEEPING, CRITERIA FOR THEIR PROFESSIONAL COMPLIANCE AND LIST OF TOPICS FOR ASSESSING THEIR PROFESSIONAL QUALIFICATION”

For the purpose of ensuring the existence of well-educated and proper managers and employees for investment fund management companies and investment fund custodians;

Having regard Part 2 of Article 54, Part 4 of Article 61, Part 1 of Article 66 and Part 3 of Article 88 of the Republic of Armenia law “On investment funds”;

Following the point “e” of Article 20 of the Republic of Armenia law “On the Republic of Armenia Central Bank” and Part 1 of Article 16 of the Republic of Armenia law “On Legal Acts”,

The board of the Republic of Armenia Central Bank hereby decides:

1. To approve Regulation 10/05 “On Accreditation of Managers of Investment fund Managers and Custodians, Natural Persons Executing Investment Fund Management Activity and Investment Fund Custody Keeping, Criteria For Their Professional Compliance and List of Topics for Assessing their professional qualification”, according to the attached Appendix.

2. This resolution shall come into force on the 10th day after official promulgation.

Chairman of the Republic of Armenia Central Bank

A. Javadyan

May 6, 2011

Yerevan

**“ACCREDITATION OF MANAGERS OF INVESTMENT FUND MANAGERS AND
CUSTODIANS, NATURAL PERSONS EXECUTING INVESTMENT FUND MANAGEMENT
ACTIVITY AND INVESTMENT FUND CUSTODY KEEPING, CRITERIA FOR THEIR
PROFESSIONAL COMPLIANCE AND LIST OF TOPICS FOR ASSESSING THEIR
PROFESSIONAL QUALIFICATION”**

REGULATION 10/05

PART I. GENERAL PROVISIONS

CHAPTER 1. SUBJECT OF REGULATION AND MAIN CONCEPTS

1. This Regulation defines the accreditation, assessment of professional compliance criteria and the procedure for registration of managers of investment fund (hereinafter: fund) management companies and natural persons executing fund management activity in the name of fund management company or serving in its staff, as well as managers and employees of fund custodian, and established the list of topics for assessment of professional qualification, as well as regulates relations regarding the issues, entitled to the authorities of the Republic of Armenia Central Bank of Armenia (hereinafter: Central Bank).

2. This Regulation applies to the fund management companies and fund custodians operating or being established in the territory of the Republic of Armenia.

3. The concepts used in this Regulation have the following meanings:

- 1) **“Natural person executing fund management activity in the name of fund management company or serving in its staff “** shall mean the natural person, executing fund management activity in the staff or in the name of fund management company or foreign fund fund management company (the person, who is entitled to take decisions, regarding investments of fund assets and execution thereof, or calculation of net asset value of fund, within the scope of fund investment policy,
- 2) **“Manager and employee of fund custodian”** shall mean a manager and employee of department responsible for fund custody activity in fund custodian,
- 3) **“Commision”** shall mean the licensing and supervision commision of the Central Bank,
- 4) **“Candidate”** shall mean a person, who applies for passing through assessment of qualification,
- 5) **“Quilifying person”** shall mean a person, who has received qualification for any position, defined in point 7 of this Regulation,

4. Other concepts, used in this Regulation have the meanings used in the Republic of Armenia law “On Investment Funds”.

CHAPTER 2. GENERAL PROVISIONS ON ACCREDITATION

5. All the documents, required by this regulation, shall be submitted to the Central Bank in Armenian and in printed form by registered letter or by hand, or shall be submitted in electronic form via CBANet network, unless other provisions are made in this Regulation. The hard copies of submitted documents shall be signed by the competent persons of fund management company or fund custodian superscribed “true copy”.

6. The documents required by this Regulation can be submitted to the Central Bank in electronic form via CBANet network.

6.1 Accreditation criteria and procedures for chief executive officer of investment firm, defined in this Regulation, shall apply also to the head and members of liquidation commission of fund management company, as well as head of administration and liquidation manager of fund management company.

7. The following persons, defined in Part 1 of Article 65 and Part 1 of Article 66 of the Republic of Armenia law “On Investment Funds”, as well as the manager and employee of fund custodian shall have the accreditation granted according to the procedures, defined in this regulation:

- 1) chair and members of board of fund management company, chief executive officer (head of executive body) and members of executive body, deputy chief executive officer, chief accountant and deputy chief accountant, head and members of internal audit function, manager of the Republic of Armenia branch of fund management company (hereinafter: branch manager),
- 2) chair and members of board of foreign fund management company’s branch, chief executive officer (head of executive body) and members of executive body, deputy chief executive officer, chief accountant and deputy chief accountant, head and members of internal audit function,
- 3) natural person executing fund management activity in the name of fund management company or serving in its staff,
- 4) manager and employee of fund custodian.

8. The requirement of having accreditation, granted according to this Regulation, shall not apply to the following persons, defined in Part 1 of Article 65 of the Republic of Armenia law “On Investment Funds“:

- 1) Managers of structural divisions of branch of fund management company or foreign fund management company (department, directorate, division, group or other unit),
- 2) Manager of representative office of fund management company, foreign fund management company.

9. Accredited persons, defined in point 7 of this Regulation, for the purpose of holding positions of manager or natural person, executing fund management activity in the name of fund management company or serving within it staff, employee of fund custodian, shall be registered with the Central Bank through the intermediation of fund management company or fund custodian, as defined in chapter 11 of this Regulation.

PART II. PROCEDURE OF ACCREDITATION

CHAPTER 3. FORM OF ASSESSMENT OF QUALIFICATION

10. The testing of candidates is carried out at the Central Bank via writing test (hereinafter: examination) or verbal interview (hereinafter: interview).

11. For the purpose of assessment of qualification, the candidates, applying for holding the positions stated below, shall pass the examination:

- 1) chief executive officer of fund management company (manager of executive body)

- and members of executive body, deputy executive officer, chief accountant, deputy chief accountant, head and members of internal audit function, head of branch office,
- 2) executive director (head of executive body) and members of executive body of branch office of foreign fund management company, deputy chief executive officer, chief accountant, deputy chief accountant, head, members of internal audit function,
 - 3) natural person executing fund management activity in the name of fund management company or serving in it staff,
 - 4) head of department responsible for fund custody and employee of custodian.

12. The candidates, applying for the purpose of holding positions stated below, shall be interviewed during the Central Bank board meeting for assessment of their qualification:

- 1) chair and members of board of fund management company,
- 2) chair and members of board of branch of foreign fund management company.

13. The examination is carried out by the testing service of the Central Bank (hereinafter: Testing Service) or other organization, if stipulated so by decision of the Chairperson of the Central Bank.

14. In case the examination, by decision of the Chairperson of the Central Bank, is carried out by other organizations, the procedure of compiling tests of examination, addenda and corrigenda thereto, signing up of candidates for attending the examinations, acceptance of documents, conclusion on examination results, filing appeals, as well as submission of necessary information to the Central Bank, shall be set out by given organization, in coordination with the Central Bank.

CHAPTER 4. PROCEDURE FOR PARTICIPATION IN ASSESSMENT OF QUALIFICATION

15. For the purpose of participation in the examination, the candidates shall sign up in advance. The candidates can sign up by inputting data on respective page of website of the Central Bank.

16. For the purpose of signing up, concrete days of examination shall be defined for each quarter, the information on which shall be published on the website of the Central Bank by 10th day of the month, preceeding the first month of that quarter.

17. (Point 17 is revoked by No. 32-N on 07.02.12)

18. For signing up the candidates shall indicate the following data:

- 1) name, surname,
- 2) type of accreditation,
- 3) month, day, time for passing the examination, according to the published list (optional),
- 4) telephone number,
- 5) data of passport or other identification document,
- 6) e-mail address (if any).

(Point 18 is amended by No. 32-N on 07.02.12)

19. In case of impossibility to carry out the examination on the day and (or) at the time, opted by the candidate, or in case the candidate has not opted any day and (or) time, the officer of Testing Service, within 3 working days following the day, when the candidate has signed up in the Central Bank, shall notify the candidate on the possible forthcoming day and (or) time of examination.

20. At least 1 day in advance the Central Bank shall inform the candidate about the day of interview.

21. The candidates shall participate in examination or interview, by submitting the following documents on the day of examination or interview:

- 1) passport or other identification document and copy thereof,
 - 2) copy of receipt of payment of state dues (if payment of state dues is stipulated by legislation).
- 21.1 For attending the interview the candidates, mentioned in point 12 of this Regulation, shall submit the documents, mentioned in point 53 of this Regulation.

CHAPTER 5. CARRYING OUT THE EXAMINATION

22. The examination is carried out via computer program, by testing module.
23. The test is a document consisting of questions based on the list of topics, defined in Chapter 15 of this Regulation.
24. The tests, as well as addenda and corrigenda thereto are approved by decision of the Chairperson of the Central Bank and are not subject to publication. The tests are revised, if necessary.
25. The tests and the quantity of questions contained in it differ by following types of accreditations:

TYPE OF QUALIFICATION	NUMBER OF QUESTIONS
1. Manager of fund management company (branch of foreign fund management company), including:	
1.1 Chief executive officer (head of executive body), member of executive body, deputy chief executive officer of fund management company, branch of foreign fund management company,	100 questions
1.2 chief accountant, deputy chief accountant of fund management company, branch of foreign fund management company,	
1.3. head and members of internal audit function of fund management company, branch of foreign fund management company,	
1.4 head of branch office	80 questions
2. (point is revoked by No. 363-N on 20.12.11)	
3. natural person executing fund management activity in the name of fund management company or in its staff	80 questions
4.manager and employee of fund custodian	80 questions

(Point 25 is amended by No. 363-N on 20.12.11)

26. For answering to each question, the candidate has 1.5 minute at the average.
27. Each question of the test has 3-4 answers, from which only one is unambiguously correct and complete.
28. Unambiguously correct and complete answer of the test wins 1 score, whereas the incorrect answer and not answered question-zero. Unambiguously incorrect, ambiguously correct and complete answers, more than one chosen answers or no chosen answer shall be considered as incorrect answer.
29. During the examination of candidates, who do not possess Armenian language, the participation of the translator is permitted. Moreover, participation of respective officer of the Central Bank is mandatory. With the consent of the head of legal department of the Central Bank, the duration of examination of candidates, who do not possess Armenian language, can be extended.
30. The examination is carried out in a separated room under video surveillance.
31. Per list, the candidates are seated in front of respective computer in the separated room. For retarded candidates the duration of examination shall not be extended.
32. The candidates shall be provided with explanations on technicalities of the examination process.

33. 33. After declaring the start of examination, the candidates read the tasks and opt one of the implied answers to each question (problem) (the most correct in their opinion).

34. During the examination the candidate may not use typed, typewritten, handwritten materials, electronic appliances (except for electronic calculators, provided by the Central Bank), as well as to make a noise, prompt, talk, ask questions to present persons, quit the room. If the candidates wish to quit the room, their work is considered finished. In case of failing to meet each of above requirements, the candidate shall be deprived of right to continue the examination, and shall be considered gained negative score.

35. After finishing the work or spending the time designated for fulfilling the tasks of examination, the candidates shall be provided with the report on results of their test (in duplicate), where the scores of the candidate are reflected in percentage terms. The reports shall be signed by the candidate. One of signed reports shall remain at the Central Bank, another one - given to the candidate.

CHAPTER 6. ASSESSMENT OF TEST AND RESULTS THEREOF

36. The assessment of test questions shall be made as follows:

- 1) In case of obtaining up to 70 percent of the maximum score by the candidate, the candidate is considered having negative result,
- 2) In case of obtaining 70 or more percent of the maximum score by the candidate, the candidate is considered having positive result, and is given the accreditation certificate.

37. The candidates, gained negative result, may apply for taking examination again for receiving respective accreditation certificate.

38. The results of test questions, based on computer data, shall be approved by the commission.

CHAPTER 7. INTERVIEW

39. During interview the knowledge of candidates, applying for holding positions of managers stated in point 12 of this Regulation, shall be assessed within the scope of topics, concerning those candidates, according to Chapter 15 of this Regulation.

40. Based on results of interview, the Board of the Central Bank makes a decision on whether knowledge of candidates, stated in point 12 of this Regulation, is compliant or non-compliant with the themes, stated in point 39 of this Regulation.

41. In case the decision states that the knowledge of candidates, stated in point 12 of this Regulation, is compliant with the topics, stated in point 39 of this Regulation, the persons stated in point 12 of this Regulation, shall be considered as given the respective type of accreditation.

CHAPTER 8. EXAMINATION APPEAL

42. Within 5 business days following the day of examination, the candidates may file appeal against the results of examination, by submitting written application to the Central Bank, in accordance with Appendix 4 to this Regulation or filling out the application via respective page on the website of the Central Bank. Within 15 business days after receipt of application, the Central Bank shall notify the applicant on results of the appeal.

CHAPTER 9. PROVISION OF CERTIFICATE OF ACCREDITATION

43. Within 15 business days after taking the examination, the hard copy of certificate of accreditation as per Appendix 3 to this Regulation shall be provided to the candidates, who gained positive results on examination, according to positions, grouped by following positions:

- 1) chief executive officer (head of executive body) and members of executive body, deputy chief executive officer of fund management company and branch of foreign fund management company,
- 2) chief accountant, deputy chief accountant of fund management company and branch of foreign fund management company,
- 3) head and members of internal audit function of fund management company and branch of foreign fund management company,
- 4) head of branch office of fund management company,
- 5) natural person executing fund management activity in the name of fund management company or serving in its staff,
- 6) manager and employee of fund custodian,

44. Within 15 business days after taking examination, the information on accredited persons shall be published in the list of “Persons, Holding Accreditation Certificate” on the website of the Central Bank. The list of accredited persons shall be updated within 2 business days after the date of expiration of accreditation certificate or the person is deprived of accreditation.

45. Each candidate may apply to the Central Bank to take examinations, stipulated for more than one managerial position, and receive respective accreditation certificates.

46. Accreditation certificates are given per successive numbers.

47. Accreditation certificates are given for 3 years after the date of signing thereof, except for the cases, stipulated by point 48 of this Regulation.

48. The accreditation for chair of board and members of board of fund management company (branch office of foreign fund management company) shall be given until the end of tenure of appointment in accordance with the procedures defined in point 41 of this Regulation. The accredited chair of board and board members of fund management company (branch office of foreign fund management company), on the basis of decision of the Chairperson of the Central Bank, may be invited for additional interview in the Central Bank Board meeting for accreditation. Moreover, the additional interview may be held not more than once in a three-year-period, about which the fund management company (branch office of foreign fund management company) shall be notified 30 days in advance. Based on the results of additional interview, the Board of the Central Bank makes a decision on whether the knowledge of abovementioned persons is compliant or non-compliant with the scope of topics, relating to chair of board and board members of fund management company (branch office of foreign fund management company) stated in Chapter 15 of this Regulation. In case the Board of the Central Bank makes decision that the knowledge of chair of board and board members of fund management company (branch office of foreign fund management company), defined in point 15 of this Regulation, is non-compliant, as well as in case of not attending the interview herein with unexcused absence, those persons shall be considered as not having accreditation.

(Point 48 is amended by No. 363-N on 20.12.11)

49. In case of losing the accreditation certificate, the accredited persons may notify in writing the Central Bank about that fact, by submitting a written application addressed to the Chairperson of the Central Bank. Within 10 business days after receipt of application, the accredited person shall be given new certificate superscribed “Duplicate”, whereas the lost certificate shall be declared invalid.

CHAPTER 10. SCOPE OF AUTHORITIES GRANTED BY ACCREDITATION CERTIFICATE

50. The person, accredited for positions, stated in sub-point 1 of point 43 of this Regulation, may hold an appointment of the head of branch office of fund management company, natural persons executing fund management activity in the name of fund management company or serving in its staff, manager and employee of fund custodian as well.

51. The chief accountant of fund management company or branch office of foreign fund management company per se may hold an appointment of the member of executive body (director, administration) of that fund management company or branch office of foreign fund management company without receiving accreditation certificate of member of executive body (director, administration).

52. The person, accredited for positions of head and members of internal audit function of fund management company and branch office of foreign fund management company, stated in sub-point 3 of point 43 of this Regulation, may hold an appointment of chief accountant, deputy chief accountant of fund management company or branch office of foreign fund management company.

PART III. PROCEDURE OF REGISTRATION AND CRITERIA FOR PROFESSIONAL QUALIFICATION

CHAPTER 11. REGISTRATION OF MANAGER AND RESPONSIBLE PERSON (ACCREDITED PERSON)

(Chapter is amended by No. 376-N on 25.12.12)

53. The registration of managers and responsible persons (accredited persons) is carried out by 2 procedures-simple and complex. The procedures for registration of managers and responsible persons subject to registration is provided in Appendix 2a to this Regulation.

54. The complex registration includes the following:

- 1) Existence of accreditation as per written examination or verbal interview in the Central Bank, according to the procedures defined in this Regulation, with the exception of the cases, defined in points 63 and 63.1,
- 2) Assessment of the personality of the candidate as a manager or responsible person, on the basis of information submitted in documents required by this Regulation, and based on grounds for refusal defined in law,
- 3) Verbal interview with the candidates for the purpose of assessing their ability to execute respective duties, possibility to provide efficient activity in the collegiate executive body and other skills, except for point 63.2.

55. The registration by simple procedure includes the following:

- 1) Existence of accreditation as per written examination or verbal interview in the Central Bank, according to the procedures defined in this Regulation, with the exception of the cases, defined in points 63 and 63.1,
- 2) Receipt of information on the candidate by submission of documents required this Regulation.

56. For the purpose of registration of the person as a manager (responsible person), or registration of changes in the list of managers (responsible persons) the fund management company, the branch of foreign fund management company or the fund custodian shall submit the following documents to the Central Bank:

- 1) For the purpose of registration of managers subject to complex registration procedure:

- a. Application as per Appendix 2 for registration of person as manager or making changes in the list of managers,
 - b. Decision of competent body on appointment of the manager or making changes in the list of managers.
- 2) For the purpose of registration of managers and responsible persons subject to simple registration procedures, the application as per Appendix 2 for registration of the person as a manager or responsible person, or making changes therein shall be submitted to the Central Bank.

57. The changes in information, defined in sub-points 2.6, 2.8-2.10, 3.3 as well as points 5-9 of application defined in Appendix 2 to this Regulation, shall also be submitted to the Central Bank by the fund management company or fund custodian within not later than 3 days after changes come to their knowledge. The application (reference) defined in Appendix 2 to this Regulation and the scanned decision of competent body, defined in this point, shall be submitted electronically by the fund management company or fund custodian via CBANet network, or if the latter is impossible-via electronic device. The application, defined in Appendix 2 to this Regulation, shall be submitted in MS Excel format, certified by signature of the head of executive body. Furthermore, for assessing the identity of information submitted by abovementioned application (reference), the Central Bank can apply to the respective authorities, by keeping the secrecy of acquired information.

58. The fund management company, branch of foreign fund management company and fund custodian shall have and submit to the Central Bank the internal regulation, approved by the respective competent authority. In that internal regulation at least the procedures for assessment of grounds for refusal of registration of managers, defined by the Republic of Armenia law “On Investment Funds” and this Regulation, and the mechanisms of meeting the requirements set for the latter, shall be described.

59. After receipt of documents defined in respective chapters of this Regulation, the Central Bank is obliged to register the changes or refuse the registration during the period defined by law for the purpose of registration of changes made in the list of managers (responsible persons). The changes made in the list of managers subject to complex registration procedure shall be registered based on the decision of the chairperson of the Central Bank. After submission of documents to the Central Bank, the managers subject to simple registration procedure shall be considered registered on the basis of the decision of the Chairperson of the Central Bank starting from the day, following the last day of time frame defined by law, unless the Central Bank, on the basis of the reasonable opinion of the Central Bank, resulting from provisions of points 60-60.1 of this Regulation, requires the person to be registered by complex procedure through written or verbal notification,. For the purpose of clarification of certain facts required by the Central Bank, the one-month-period can be suspended for no longer than three months. Moreover, in case of suspension of the period, defined in law, the 90-day-period, defined in point 75 of this Regulation shall also be suspended. After termination of suspension, the period of holding an appointment as an acting manager may not exceed the number of days resulting from the difference between the three-month-period and the days before suspension of holding an appointment as an acting officer. If the Central Bank requires to register the manager subject to simple registration procedure by the complex procedure, then the Central Bank shall notify about that fact, respectively, the fund management company, branch of foreign fund management company or fund custodian. Furthermore, the fund management company, foreign fund management company or fund custodian is obliged to present the candidate for registration by complex procedure within 5 days after notification. In the case mentioned herein the procedures for registration by complex procedure shall be preserved.

59.1. After receipt of notification, indicated in point 59 of this Regulation, fund management company, branch of foreign fund management company or fund custodian shall present the manager (managers)

for registration by complex procedure until the Central Bank informs fund management company, branch of foreign fund management company or fund custodian through written or verbal notification about possibility to present the manager (managers) for registration by simple procedure.

59.2. If all information required by Appendix 2 to this Regulation was previously submitted to the Central Bank for registration of person as manager, and later the fund management company or fund custodian apply to the Central Bank for registration of the same person as manager, then, it is allowed to complete only all fields of point 1, fields 2.1 (name, surname, patronymic), 2.3 (date of birth) and all fields, whose information has been changed since last submission of application, defined in Application 2, to be submitted to the Central Bank in accordance with this chapter. The fund management company or fund custodian are allowed to not submit all documents and (or) information, submitted previously for registration of managers in accordance with law, by referring to the date of previous application, if previously submitted information has not been changed.

59.3. During registration of chair of board and members of board of fund management company, branch of foreign fund management company, the decision of the Central Bank, indicated in point 40 of this Regulation, shall serve as a basis, except for the cases, when the Central Bank finds unnecessary to conduct interview. In that case, the managers, mentioned in this point, shall be registered without being invited to the interview.

60. If the fund management company, foreign fund management company or fund custodian experience or may be experiencing deterioration of financial standing, or based on opinion of the Central Bank, the corporate governance principles are not sufficiently implemented, or the internal regulation, defined in point 58 of this Regulation, does not include all required mechanisms and/or they are not factually implemented, in that case given manager may be invited for registration by complex procedure.

60.1 If during examination of data on candidate for manager, based on opinion of the department responsible for financial supervision and/or any other responsible department at the Central Bank, there are risks concerning the fund management company, branch of foreign fund management company, fund custodian and/or financial stability, as well as reputation of the candidate for manager, that candidate may be invited for registration by complex procedure.

61. The registration of the accredited person is rejected by the decision of Chairperson of the Central Bank, if

- 1) The conditions, defined in Part 2 of Article 65 of the Republic of Armenia Law “On Investment Funds” exists,
- 2) The accredited person does not comply with at least one of requirements, set in Chapter 12 of this Regulation,
- 3) The submitted documents are false or incomplete or do not comply with law, other legal acts, including the requirements, set by the Central Bank.

62. If the accredited person of fund management company or fund custodian was deprived of accreditation certification, the latter may not be registered as accredited person of fund management company or fund custodian within 3 years after the day, when the decision of Board of the Central Bank to deprive the accredited person of accreditation certification has been made.

(Chapter is amended on 20.12.11 by No. 363-N, amended on 25.12.12 by 376-N)

CHAPTER 12. CRITERIA FOR PROFESSIONAL COMPLIANCE

63. In order to have registration for working in any position listed above, the accredited person must comply with the following requirements (criteria) as well (moreover, the accredited persons are considered having professional accreditation certificate of the Central Bank, if they comply with the requirement to have international certificate, as defined in this point).

Position	Criteria
1. Managers of fund management company (except for voluntary and mandatory pension fund management company) and natural persons executing fund management activity in the name of fund management company or serving in its staff	
1) Manager of fund management company, including:	
a. chair, member of board	1. higher education, 2. at least five years work experience, at least 2 of which in managerial position and 3. accreditation certificate, granted by the Central Bank
b. chief executive officer (head of executive body), member of executive body, deputy chief executive officer, chief executive officer (head of executive body), member of executive body, deputy chief executive officer of branch of foreign fund management company	1. higher education and 2. at least five years work experience, at least 2 of which in managerial position and 3. accreditation certificate, granted by the Central Bank or CFA or FRM designation or F1-F9 levels of ACCA
c. head of branch of fund management company	1. higher education, 2. at least one year work experience and 3. accreditation certificate granted by the Central Bank or CFA, FRM designation or levels F1-F9 of ACCA designation
d. head of internal audit function of fund management company, head of internal audit function of branch of the foreign fund management company	1. higher education, 2. at least 3 years professional work experience and 3. accreditation certificate granted by the Central Bank or all levels of ACCA, or CIA designation
e. member of internal audit function of fund management company, member of internal audit function of branch of foreign fund management company	1. higher education, 2. at least 2 years professional work experience and 3. accreditation certificate granted by the Central Bank or all levels of ACCA, or CIA designation
f. chief accountant, deputy chief accountant of fund management company, chief accountant and deputy chief accountant of branch of foreign fund management company	1. higher education and 2. at least 2 years professional work experience and 3. accreditation certificate granted by the Central Bank or levels F1-F9 of ACCA
2) natural person executing fund management activity in the name of fund management company or serving in its staff	1. higher education and 2. accreditation certificate granted by the Central Bank
2. Managers of voluntary pension fund management company and natural persons executing fund management activity in the name of fund management company or serving in its staff	
1) Manager of fund management company, including:	
a. chair, member of board	1. higher education,

	<ol style="list-style-type: none"> 2. at least five years work experience, at least 2 of which in managerial position, 3. accreditation certificate granted by the Central Bank
b. chief executive officer (head of executive body), member of executive body, deputy chief executive officer , chief executive officer (head of executive body), member of executive body, deputy chief executive officer of branch of foreign management company	<ol style="list-style-type: none"> 1. higher education, 2. at least 5 years work experience, at least 2 of which in managerial position 3. accreditation certificate granted by the Central Bank or CFA or FRM designations or levels F1-F9 of ACCA
c. head of branch of fund management company	<ol style="list-style-type: none"> 1. higher education, 2. at least 1 year work experience, 3. accreditation certificate granted by the Central Bank or CFA or FRM designations or levels F1-F9 of ACCA.
d. head of internal audit function of fund management company, head of internal audit function of branch of foreign fund management company	<ol style="list-style-type: none"> 1. higher education, 2. at least three years professional work experience and 3. accreditation certificate granted by the Central Bank or all levels of ACCA, or CIA designation
e. member of internal audit function of fund management company, member of internal audit function of branch of foreign fund management company	<ol style="list-style-type: none"> 1. higher education, 2. at least 2 years professional work experience and 3. accreditation certificate granted by the Central Bank or all levels of ACCA, or CIA designation
f. chief accountant, deputy chief accountant of fund management company, chief accountant and deputy chief accountant of branch of foreign fund management company	<ol style="list-style-type: none"> 1. higher education, 2. at least two years professional work experience, 3. accreditation certificate granted by the Central Bank
2) natural person, executing fund management activity in the name of fund management company or serving in its staff, who makes decisions concerning investments of fund's assets within the scope of investment policy of fund, as well as implements those decisions	<ol style="list-style-type: none"> 1. higher education, 2. at least three years work experience in asset management, or at least one year work experience in asset management and the document certifying the completion of at least level 1 of CFA and 3. accreditation certificate granted by the Central Bank
3) natural person, executing fund management activity in the name of fund management company or serving in its staff, who performs calculation of net asset value of fund	<ol style="list-style-type: none"> 1) <ol style="list-style-type: none"> 1. higher education, 2. at least three years work experience in asset management, or at least one year work experience in asset management and the documents certifying the completion of at least CFA 1 level and 3. accreditation certificate granted by the Central Bank or 2)

	<ol style="list-style-type: none"> 1. higher education, 2. the documents certifying the completion of at least half of the ACCA, CPI programs and 3. accreditation certificate granted by the Central Bank
3. Managers of mandatory pension fund management company and natural person, executing fund management activity in the name of fund management company or serving in its staff	
1) Manager of fund management company, including:	
a. chair, member of board	<ol style="list-style-type: none"> 1. higher education, 2. at least five years work experience, at least 2 of which in managerial position and 3. accreditation certificate granted by the Central Bank
b. chief executive officer (head of executive body), member of executive body, deputy chief executive officer of fund management company, chief executive officer (head of executive body), member of executive body, deputy chief executive officer of branch of foreign fund management company	<ol style="list-style-type: none"> 1. higher education, 2. at least five years work experience, at least 2 of which in managerial position and 3. accreditation certificate granted by the Central Bank or CFA or FRM designations or levels F1-F9 of ACCA
c. head of branch of fund management company	<ol style="list-style-type: none"> 1. higher education, 2. at least one year work experience, 3. accreditation certificate granted by the Central Bank or CFA or FRM designations or levels F1-F9 of ACCA
d. head of internal audit function of fund management company, head of internal audit function of branch of foreign fund management company	<ol style="list-style-type: none"> 1. higher education, 2. at least 3 professional work experience, 3. document (certificate) confirming the completion of at least 1 level of international audit qualification (CIA) and 4. accreditation certificate granted by the Central Bank
e. member of internal audit function of fund management company, member of internal audit function of branch of foreign fund management company	<ol style="list-style-type: none"> 1. higher education, 2. at least 3 years professional work experience and 3. accreditation certificate granted by the Central Bank or all levels of ACCA program or CIA designation
f. chief accountant, deputy chief accountant of fund management company, chief accountant, deputy chief accountant of branch of foreign fund management company	<ol style="list-style-type: none"> 1. higher education, 2. at least 2 years professional work experience and 3. accreditation certificate granted by the Central Bank or CFA or FRM designations or levels F1-F9 of ACCA program
2) natural person, executing fund management activity in the name of fund management company or serving in its staff, who makes decisions concerning investments of fund's assets within the	<ol style="list-style-type: none"> 1. higher education, 2. at least five years work experience in asset management, or at least two years work experience in asset management and the document certifying the completion of at least 2 levels of CFA and

<i>scope of investment policy of fund, as well as implements those decisions</i>	3. accreditation certificate granted by the Central Bank
<i>3) natural person, executing fund management activity in the name of fund management company or serving in its staff, who performs the calculation of net asset value of the fund</i>	1) 1.higher education, 2. at least five years work experience in asset management, or at least two years work experience in asset management and the document certifying the completion of at least 2 levels of CFA and 3. accreditation certificate granted by the Central Bank or 2) 1.higher education, 2. document certifying the completion of at least half of the levels of ACCA, CPI programs and 3. accreditation certificate granted by the Central Bank
4. Manager and employee of custodian	
1) Manager of custodian	1.higher education, 2. at least five years work experience and 3. accreditation certificate granted by the Central Bank or CFA, FRM designations or levels F1-F9 of ACCA program
2) Employee of custodian	1. higher education, 2. accreditation certificate granted by the Central Bank

(Point 63 is ammended on 25.12.12 by No. 376-N)

63.1 The candidates for managers, defined in this regulation, who have worked in international reputable organisations, as defined by Appendix 2b to this regulation, and performed similar duties and/or held similar positions, shall be considered holding the accreditation certificate of the Central Bank.

(Point 63.1 is ammended on 25.12.12 by No. 376-N)

63.2 When registering the managers by complex procedures, defined in point 54 of this regulation, the candidates for managers may be not invited to the interview in cases, if considered reasonable by the Central Bank.

(Point 63.2 is ammended on 25.12.12 by No. 376-N)

64. If the accredited person applies to be simultaneously registered in positions, provided in sub-points 2.2 and 2.3 (3.2 and 3.3) of the table stipulated by point 63 of this Regulation, that person shall comply with professional compliance criteria established in sub-points 2.2 (3.2).

65. Experience in asset management, provided in point 63 of this Regulation, involves also such activities, as decision making and advisory services regarding investments in securities, asset valuation, making analysis and (or) transactions in securities market.

66. If the accredited person does not have work experience and (or) higher education, provided in point 63 of this Regulation, then that person has a right to submit to the Central Bank appropriate documents, notices and (or) other justifications, confirming the existence of sufficient knowledge and skills necessary for holding respective positions. On the basis of those documents,

notices and (or) other justifications, by positive conclusion of the commission, the Chairperson of the Central Bank has a right to register the candidate in the respective position, if the Chairperson finds that the person has sufficient knowledge and skills for holding that position.

67. The work experience mentioned in point 63 of this Regulation relates to 10 years prior to the registration, except for the work experience, defined for the chair and members of board.

68. For the purposes of this Regulation, the person is considered having higher education, if that person is graduated from higher educational institution in the Republic of Armenia and (or) foreign country and (or) was granted professional accreditation certificate in finance recognized in the Republic of Armenia and (or) internationally.

CHAPTER 13. DEREGISTRATION OF REGISTERED ACCREDITED PERSON AND DOCUMENTS SUBMITTED THEREFOR

69. By decision of Chairperson of the Central Bank, the registered accreditate person shall be derigestered, if:

- 1) Term of validity of accreditation certificate is expired, and the registered accredited person has not received new accreditaiton certificate,
- 2) The registered accredited person was deprived of accreditation certificate,
- 3) The fund management company or the fund custodian filed respective application,
- 4) The registered accredited person has violated the requirements for accredited persons, defined by laws and other legal acts.

70. For deregistration of the registered accredited person in the Central Bank by application of fund management company or fund custodian, within 10 business days after the decision of authorised body of fund management company and fund custodian on making changes is made, fund management company and fund custodian shall submit the following documents to the Central Bank:

- 1) Application on deregistration of registered accredited person (by indicating the grounds for deregistration) signed by the person authorized by executive body of fund management company or fund custodian, sealed by fund management company or fund custodian (if any),
- 2) Decision or extract from the munits of the competent body of fund management company or fund custodian about making amendments and assigning acting officer, if any.

CHAPTER 14. ACTING OFFICER OF ACCREDITED PERSON

71. For the purposes of this regulation, acting officers of accredited person are the persons, who execute duties of accredited person of fund management company or fund custodian, in accordance with the procedure established in this Regulation, without registration in relevant position in the Central Bank of the Republic of Armenia.

72. Only respectively deputy executive officer or member of executive body of fund management company or any other officer of that management company, who holds accreditaiton certificate of executive officer (except for the head and member of internal audit function) can be appointed in (can execute duties of) position of acting head of executive body (executive director) of fund management company.

73. Only the officer of the fund custodian, who has accreditation certificate, mentioned in sub-point 6 of point 43 of this Regulation, can be appointed in the position of acting manager of fund custodian.

74. The deputy chief accountant of the fund management company or other officer of that

fund management company, who has accreditation certificate of chief accountant, can be appointed in (can execute mentioned duties of) position of acting chief accountant of fund management company.

75. The tenure of office for acting accredited person without accreditation certificate can be fixed for no longer than 90 days. Except for acting executive director (chief executive officer) and chief accountant, and acting natural person executing fund management activity in the name of fund management company or serving in its staff, who may not be carry their duties without the accreditation certificate. Persons, holding accreditation certificates without registration by the Central Bank, can act as acting accredited person for no longer than 90 days. Abovementioned 90 days tenure is applied to all acting accredited persons, appointed for the same position of accredited person, i.e. the appointment of new acting official shall not stop or renew the 90-day-period.

76. The chair and members of board of directors of fund management company have a right to execute the duties of respectively the chair and member of board only after registration for relevant positions in the Central Bank. Acting chair and members of board of directors of fund management company are not provided.

PART IV. LIST OF TOPICS FOR ASSESSMENT OF PROFESSIONAL QUALIFICATION OF CANDIDATES

CHAPTER 15. LIST OF TOPICS FOR ASSESSMENT OF PROFESSIONAL QUALIFICATION OF CANDIDATES

77. In the Central Bank the assessment of professional compliance of candidates is implemented by topics mentioned in the table stated below. Moreover , “V” sign shall mean that the topic is applicable, “-” sign shall mean that the topic is not applicable.

TOPIC	FUND MANAGEMENT COMPANY					FUND CUSTODIAN
	Chair and members of board of directors of fund management company and branch of foreign fund management company	Head of executive body, member of executive body, deputy executive director, head of branch of fund management company and branch of foreign fund management company	Chief accountant, deputy chief accountant of fund management company and branch of foreign fund management company	Head, members of internal audit function of fund management company and branch of foreign fund management company	Natural person executing fund management activity in the name of fund management company or serving in its staff	Manager and officer of fund custodian
1	2	3	4	5	6	7
I. The Republic of Armenia law “On Securities Market” and the sub-laws adopted on the basis thereof						
1) Main concepts of the Republic of Armenia law “On Securities Market”	V	V	V	V	V	V
2) Main objective and subject of regulation of the Republic of Armenia law “On	V	V	V	V	V	V

Securities Market ⁹						
3) Prospectus, program prospectus, requirements set for them	V	V	-	V	V	-
4) Compensation for damage caused by missing out or distortion of information in prospectus by issuer or underwriter	-	V	-	V	V	-
5) Underwriting of securities, suspension of underwriting, reports about course of underwriting and results thereof	-	V	-	V	-	-
6) Investment services and types thereof	V	V	V	V	V	V
7) Persons providing investment services and scope of their activity	-	V	V	V	V	V
8) Branch and representative offices of foreign investment firm, being established in the territory of the Republic of Armenia and registration thereof	-	V	-	V	-	-
9) Branch and representative offices of investment firm, operating in the territory of the Republic of Armenia and registration thereof	-	V	-	V	-	-
10) Provision of investment services in the territory of the Republic of Armenia by foreign person providing investment services	-	V	-	V	-	-
11) Requirements for activity of persons providing investment services	-	V	-	V	V	V
12) Contract for provision of investment services	-	V	-	V	V	V
13) Information provided to the customer by the person providing investment services	-	V	-	V	V	V
14) Accounting and protection of funds of the customer of person providing investment services	-	V	-	V	V	V
15) Maintenance of records by the person	-	V	-	V	V	-

providing investment services						
16) Organisation of accounting of persons providing investment services	-	V	V	V	-	-
17) Report submitted to the Central Bank by persons providing investment services	-	V	V	V	-	-
18) Information and reports published by investment firms	-	V	V	V	-	-
19) Stock exchange rules, established by the Operator, requirements set for them, registration in the Central Bank thereof	-	-	-	-	V	-
20) Equality of market participants	-	-	-	-	V	-
21) Program prospectus, requirement for publication of program prospectus in case of securities admission to trading in the securities market, publication of program prospectus and securities admission to trading, other requirements	-	V	-	V	V	-
22) Dispute resolution between the person and the Operator	-	V	-	V	V	-
23) Obligations of market participant	-	V	-	V	V	-
24) Obligations of reporting issuer	-	V	-	-	V	-
25) Regular disclosure of information by reporting issuers	-	V	-			-
26) Disclosure of information on material events by reporting issuer	-	V	-	V		-
27) Transactions in market, requirements, defined for them by the Central Bank	-	V	-	V	V	-
28) Suspension and termination of securities trading	-	V	-	V	V	-
29) Information provided to the Operator, requirements, established for that information	-	V	-	V	-	-
30) Penalties imposed by the Operator	-	V	-	V	-	-
31) Stock exchange, members thereof	-	V	-	V	V	-
32) Stock exchange Rules	-	V	-	V	V	-

33) Listing in stock exchange, conditions for listing	-	V	-	V	V	-
34) Shareholding in the chartered capital of joint-stock company, requirements thereof, publication of information, approval of acquisition or alienation of the shareholding	V	V	-	V	V	-
35) Market abuse	-	V	-	V	V	-
36) Insider information; prohibition, detection, calculation of detection of fraudulent use of insider information, as well as detection thereof in case of information outflow	-	V	-	V	V	-
37) Insiders, list of insiders	-	V	-	V	V	-
38) Compensation for damages caused by non-disclosure or improper disclosure of insider information by the issuer	-	V	-	V	V	-
39) General obligations of the issuer relating to insider information	-	V	-	V	V	-
40) Obligation of the reporting issuer to establish internal rules	-	V	-	V	V	-
41) Securities market manipulation, submission of information thereon	-	V	-	V	V	-
42) Investment offer	-	V	-	V	V	-
43) Central Depository, its functions	-	V	V	V	V	V
44) Supervisory power of the Central depository	-	V	-	V	-	V
45) Regulation of tariffs for services of the Central Depository	-	V	-	V	-	V
46) Securities custody, securities custody system	-	V	V	V	V	V
47) Requirements for custodians	-	V	-	V	V	V
48) Securities accounts	-	V	V	V	V	V

49) Securities subject to mandatory centralised registration	-	V	-	V	-	V
50) Moment of transfer of property ownership	-	V	-	V	V	V
51) Provision of list of shareholders to the issuer	-	V	-	V	-	V
52) Securities settlement system, members thereof	-	V	-	V	-	-
53) Management of operational risk of securities settlement system	-	-	-	-	-	-
54) Irrevocability of transfer orders sent to the Central Depository	-	V	-	V	-	V
55) Settlement, guaranteeing of accomplishment of settlement	-	-	-	-	-	V
56) Special rules for bankruptcy of member of settlement system	-	V	-	V	-	-
57) Bankruptcy of the Central depository	-	-	-	-	-	-
58) Enforcement of sanctions by the Central Bank	V	V	V	V	V	V
59) Responsibility for price manipulation	V	V	-	V	V	-
60) Responsibility of supervising persons	-	V	-	V	-	-
61) Major shareholding	V	V	V	V	V	-
62) Related parties	V	V	V	V	V	V
II. General economic legislation and civil legal relations						
1. The Republic of Armenia Civil Code						
1) Legal persons: general provisions	-	V	-	V	V	V
2) General provisions on business partnerships and companies	-	V	-	V	-	-
3) Limited liability company	-	V	-	V	V	-
4) Joint-stock company	-	V	-	V	V	-
5) Non-profit organisations	-	V	-	-	V	-
6) Securities: main provisions	-	V	V	V	V	V

7) Types of securities	-	V	V	V	V	V
8) General provisions on property right and other interest	-	V	-	V	V	V
9) General provisions on pledge	-	V	V	V	V	V
10) Concept of obligation and sides thereof	-	V	V	V	V	V
11) Fulfilling of obligations	-	V	V	V	V	V
12) Enforcement of fulfilling of obligations	-	V	V	V	V	V
13) Change of persons in the obligation	-	V	-	V	V	V
14) Responsibility for violation of obligations	-	V	V	V	V	V
15) Termination of obligations	-	V	V	V	V	V
16) Concept of contract and conditions thereof	-	V	V	V	V	V
17) Conclusion of contract	-	V	-	V	V	V
18) Amendments to contract and resolution thereof	-	V	-	V	V	V
19) Assignment	-	V	V	V	V	-
20) Commission	-	V	V	V	V	-
21) Agency	-	V	V	V	V	-
22) Settlement by checks	-	V	V	V	V	V
23) Entrusted administration of property	-	V	V	V	V	-
24) Joint activity	-	V	V	V	V	-
2. The Republic of Armenia law "On Joint-stock companies"						
1) General provisions on joint-stock companies	V	V	-	V	-	-
2) Establishment, reorganisation and liquidation on joint-stock companies	-	V	-	V	-	-
3) Chartered capital of joint-stock company, shares and other securities of the company, net assets of company	V	V	-	V	-	-
4) Underwriting of shares and other securities of company	V	V	-	V	-	-
5) Dividends of company	V	V	-	V	-	-

6) Register of shareholders of joint-stock company	V	V	-	V	-	V
7) Acquisition of underwritten shares of company, buyback by company	V	V	-	V	-	-
8) Significant transactions	V	V	-	V	-	-
9) Interest in transactions of company	V	V	-	V	-	-
10) General meeting of joint-stock company	V	V	-	V	-	-
11) Supervisory board and executive body of joint-stock company	V	V	-	V	-	-
12) Supervision of financial and economic activity of joint-stock company	V	V	-	V	-	-
13) Accounting and reporting, information on joint-stock company	V	V	V	V	-	-
3.The Republic of Armenia law "On Limited Liability Companies"						
1) General provisions on limited liability companies	V	V	-	V	-	-
2) Establishment of limited liability company	V	V	-	V	-	-
3) Participants of limited liability company	V	V	-	V	-	-
4) Chartered capital of limited liability company	V	V	-	V	-	-
5) Management of limited liability company	V	V	-	V	-	-
6) Reorganisation and liquidation of limited liability company	V	V	-	V	-	-
III. Accounting legislation and International Financial Reporting Standards (hereinafter: IFRS), tax legislation						
1. Financial statements and elements thereof	-	V	V	V	-	-
2. Recognition and measurement of financial statement elements	-	-	V	V	-	-

3. Principles of accounting and financial reporting	-	V	V	V	-	-
4. Rights and obligations of manager of organisation in organization of accounting	-	V	V	V	-	-
5. Accounting policy, its role	-	V	V	V	-	-
6. Publication of financial reports of investment firm, potential consumers/users of those reports	-	V	V	V	-	-
7. Cases of preparation of consolidated reports	-	V	V	V	-	-
8. Rights and obligations of taxpayers	-	V	V	V	-	-
9. Responsibility of investment firm for violation of tax legislation	-	-	-	-	-	-
10. Rights and obligations of chief accountant	-	V	V	V	-	-
11. Basic rules of Accounting	-	V	V	V	-	-
12. Primary accounting documents	-	-	V	V	-	-
13. Accounting book	-	-	V	V	-	-
14. Right of signature in accounting documents	-	V	V	V	-	-
15. Stocktaking of assets and liabilities	-	V	V	V	-	-
16. Confidentiality of accounting information	-	V	V	V	-	-
17. Storage of accounting documentation	-	V	V	V	-	-
18. Compilation and submission of financial reports	-	-	V	V	-	-
19. Chart of accounts for financial activities	-	-	V	V	-	-
20. "Presentation of Financial Statements" IAS1	-	-	V	V	-	-
21. "Inventories" IAS 2	-	-	V	V	-	-
22. "Statement of Cash Flows" IAS 7	-	-	V	V	-	-
23. "Accounting Policies, Changes in Accounting Estimates and Errors" IAS 8	-	-	V	V	-	-
24. "Events After the Reporting Period"	-	-	V	V	-	-

IAS 10						
25. "Income Taxes" IAS 12	-	-	V	V	-	-
26. "Property, Plant and Equipment " IAS 16	-	-	V	V	-	-
27. "Leases" AIS 17	-	-	V	V	-	-
28. "Revenue" AIS 18	-	-	V	V	-	-
29. "Accounting for Government Grants and Disclosure of Government Assistance" AIS 20	-	-	V	V	-	-
30. "The Effects of Changes in Foreign Exchange Rates" AIS 21	-	-	V	V	-	-
31. "Borrowing Costs" AIS 23	-	-	V	V	-	-
32. " Related Party Disclosures " AIS 24	-	-	V	V	-	-
33. "Financial Instruments: Presentation" AIS 32	-	-	V	V	-	-
34. "Interim Financial Reporting" AIS 34	-	-	V	V	-	-
35. "Impairment of Assets " AIS 36	-	-	V	V	-	-
36. "Provisions, Contingent Liabilities and Contingent Assets" AIS 37	-	-	V	V	-	-
37. "Intangible Assets" AIS 38	-	-	V	V	-	-
38. "Financial Instruments: Recognition and Measurement" AIS 39	-	-	V	V	-	-
39. "Investment Property" AIS 40	-	-	V	V	-	-
40. "Share-based Payment" IFRS 2	-	-	V	V	-	-
41. Types of taxes and tax previlegies	-	V	V	V	-	-
42. Rights and obligations of taxpayers, control over payment of taxes	-	V	V	V	-	-
43. Procedure for returning paid tax dues to the taxpayer in the amount exceeding tax obligations	-	V	V	V	-	-
44. Taxable subjects and taxable object	-	V	V	V	-	-
45. Gross income	-	V	V	V	-	-
46. Deductions from gross income	-	V	V	V	-	-
47. Taxation of non-residents	-	V	V	V	-	-

IV. Practical tasks	-	V	-	V	V	-
V. Other						
1. Main objective and other objectives of the Republic of Armenia the Central Bank	V	V	V	V	V	V
2. Inspections and supervision of the Republic of Armenia Central Bank	V	V	V	V	V	V
3. Internal control, rights and obligations of board (supervisory board) in ensuring proper internal control system	V	V	-	V	-	-
4. Relations of board and internal audit function (for investment company)	V	V	-	V	-	-
5. Board (supervisory board) meetings, committees under the board (supervisory board)	V	V	-	V	-	-
6. Grounds for termination of authorities of member of board (supervisory board)	V	V	-	V	-	-
7. Possible sanctions applicable to board (supervisory board) members	V	-	-	-	-	-
8. Distribution of dividends, reduction of chartered capital	V	-	-	-	-	-
9. Conclusion of major buy and sell property transactions	V	V	-	V	-	-
10. Internal information system, reports submitted to the board,	V	V	V	V	-	-
11. Insolvency grounds	V	-	-	-	-	-
12. Main principles of elaboration of strategy	V	-	-	-	-	-
13. Principles of assessment and surveillance of work of executive body	V	-	-	-	-	-
14. Remuneration of board and executive body	V	V	-	-	-	-
15. Principles of human resources management, its role, rights and obligations of board in human resources management	V	V	-	V	-	-

16. Main principles of planning and assessment of activities, decision making	V	V	-	V	V	-
17. Characteristics of anti-money laundering/combating terrorist financing	V	V	-	V	-	-
18. Termination and suspension of suspicious operations	V	V	-	V	-	-
19. Marketing strategy/policy	V	V	-	V	-	-
20. Risk management	V	V	-	V	V	-
VI. The Republic of Armenia Law on "Investment funds" and sub-laws adopted on the basis of the Republic of Armenia Law on "Investment funds"						
1. Main concepts used in the Republic of Armenia Law on "Investment funds"	V	V	V	V	V	V
2. General provisions on funds	V	V	V	V	V	V
3. Establishment of fund and legal grounds for fund's activity	-	V	-	V	V	-
4. Units (shares) and issuance, circulation and redemption thereof	-	V	-	V	V	V
5. Principles of investment of fund assets	-	V	-	V	V	V
6. Investment policies of standard fund	-	V	-	V	V	V
7. Investment policies of specialized fund	-	V	-	V	V	V
8. Management of fund	V	V	-	V	-	V
9. Manager	-	V	-	V	-	-
10. Major shareholding	-	V	-	V	-	-
11. Management of the Manager, including:						-
1) Board of directors of Manager	V	V	-	-	-	-
2) Internal audit	-	V	-	V	-	-
3) Requirements for managers and natural persons executing fund management activity in the name of fund management company or serving in its staff	V	V	V	V	V	-
4) Professional accreditation	V	V	V	V	V	V

12. Requirements for activity of the Manager, including:							-
1) Prudential standards of Manager's activity	-	V	V	V	V		-
2) Duties of the Manager	-	V	-	V	V		-
3) Delegation and surrender of functions	-	V	-	V	V		-
4) Transfer of management of the fund to another manager	-	V	-	V	V		-
13. Reorganisation and liquidation of the Manager	-	V	-	V	-		-
14. Custodian	-	V	-	V	V		V
15. Prospectus, reports, external audit and other means of disclosure of information, including:							-
1) Prospectus	-	V	-	-	-		-
2) Reports	-	V	V	V	-		-
3) Information provided to fund participants	-	V	-	V	V		-
4) Information subject to mandatory publication	-	V	-	V	-		-
5) Advertisement of fund and (or) Manager	-	V	-	-	-		-
6) External audit	-	V	V	V	-		-
7) Official information	V	V	V	V	V		V
16. Foreign funds	-	V	-	V	-		-
17. Reorganisation of funds	-	V	-	V	-		-
18. Termination (liquidation) of funds	-	V	-	V	-		-
19. Supervision and responsibility for violation of requirements of the Republic of Armenia law "On Investment Funds"	V	V	V	V	V		V
VII. the Republic of Armenia law "On Funded Pensions" and sub-laws adopted on the basis of the Republic of Armenia law							

”On Funded Pensions”						
1. Main concepts used in the Republic of Armenia law ”On Funded Pensions”	V	V	V	V	V	V
2. Functions of registrar of fund participants	-	V	-	V	V	V
3. Pension secret	V	V	V	V	V	V
4. Pension fund manager, including:						
1) Functions of pension fund manager and requirements for its activity	V	V	V	V	V	V
2) Information on pension fund manager and fund being under its management, and publication thereof	-	V	-	V	-	V
3) Chartered capital of pension fund managers and requirements set for it	V	V	V	V	V	-
4) Advertisement of pension fund	-	V	-	-	V	-
5) Termination of activity of pension fund manager and recognizing the permission for pension fund management void	-	V	-	V	-	-
5. Pension fund custody keeping	-	V	-	V	V	V
6. Investment of mandatory pension fund	-	V	-	V	V	V
7. Payment for services	-	V	V	V	V	V
8. Principles of investment of voluntary pension fund assets	-	V	-	V	V	V
9. Eligible investments of voluntary pension fund assets	-	V	-	V	V	V
10. Investment limitations of voluntary pension fund assets	-	V	-	V	V	V
11. Responsibility for violation of RA law ”On Funded Pensions”	V	V	V	V	V	V

CHAPTER 16. TRANSITIONAL PROVISIONS

78. Within 6 months after enactment of this decision the persons, holding accreditation of manager of the person providing investment services, or the natural person providing portfolio management services in the name of the person providing investment services or serving in its staff, defined by Regulation 4/05, adopted by resolution No. 15-N of Board of the Republic of Armenia, dated January 15, 2008 “On Qualification of Managers of Persons Providing Investment Services, the Operator and the Central Depository, and Natural Persons Providing Investment Services, Their Professional Compliance and the List of Topics for Qualification Test”, can work as respective manager of the fund management company or natural person, executing fund management activity in the name of fund management company or serving in its staff, without any accreditation, established by procedures of this Regulation, after registration in respective positions, defined in this Regulation. At the last day of 6th month after enforcement of this Regulation, the persons mentioned in this point, are obliged to hold accreditation for respective position, as stipulated by this Regulation. Otherwise, they shall be considered as persons not holding respective accreditation and may not continue carrying out their duties in respective positions, except for the cases, stipulated in point 79 of this Regulation.

79. At the moment of enforcement of this regulation the persons, holding accreditation of chief accountant and deputy chief accountant of the investment firm or branch of foreign investment firm, defined in Regulation 4/05, adopted by resolution No. 15-N of Board of the Republic of Armenia, dated January 15, 2008 “On Qualification of Managers of Persons Providing Investment Services, the Operator and the Central Depository, and Natural Persons Providing Investment Services, Their Professional Compliance and the List of Topics for Qualification Test”, can work also as respective chief accountant and deputy chief accountant of fund management company or branch of foreign fund management company after getting the registration in respective positions defined in this Regulation, until the date of expiration of those accreditation certificates.

80. Within 3 months after enforcement of this Regulation, the persons holding accreditation of employee of custodian, as defined in Regulation 4/05, adopted by resolution No. 15-N of Board of the Republic of Armenia, dated January 15, 2008 “On Qualification of Managers of Persons Providing Investment Services, the Operator and the Central Depository, and Natural Persons Providing Investment Services, Their Professional Compliance and the List of Topics for Qualification Test”, can work as manager and employee of the fund custodian without accreditation, stipulated by procedures of this Regulation, after registration in respective positions defined in this Regulation. At the last day of the 3th month after enforcement of this decision, the persons, mentioned in this point, shall hold accreditation for respective position, defined in this Regulation. Otherwise, they shall be considered as persons not holding respective accreditation and may not continue carrying out their duties in respective positions.

Appendix 1

of the Appendix to “On Accreditation of Managers of Investment Fund Managers and Custodians, Natural Persons Executing Investment Fund Management Activity and Investment Fund Custody Keeping, Criteria for Their Professional Compliance and List of Topics for Assessing Their Professional Qualification” Regulation 10/05

(Appendix is revoked by No. 363-N, on 20.12.11)

Appendix 2

of the Appendix to “On Accreditation of Managers of Investment Fund Managers and Custodians, Natural Persons Executing Investment Fund Management Activity and Investment Fund Custody Keeping, Criteria for Their Professional Compliance and List of Topics for Assessing Their Professional Qualification” Regulation 10/05

APPLICATION

INFORMATION ON MANAGERS (ACCREDITED PERSONS)

Please register the person, indicated in this application, as manager. The information on the person is attached.

<p><i>Please attach your photo here.</i></p>
<input type="checkbox"/> Please tick the box if only changes are presented in the application
1. Details on financial organization <i>(Please indicate hereinbelow the data on organisation, whose manager You shall become. The term “manager” in this application shall include also natural persons executing fund management activity in the name of fund management company or serving in its staff, employee of fund custodian and responsible persons of insurance brokers.</i>
1.1 Company name and the code (if any) of the organisation <i>(for head of branch offices, please indicate also the name of branch office of the financial organisation and the code provided to the financial organisation by the Central Bank)</i>
1.2. Type of financial organisation <ul style="list-style-type: none"><input type="radio"/> Bank<input type="radio"/> Branch of foreign bank<input type="radio"/> Credit organization<input type="radio"/> Insurance company<input type="radio"/> Branch of foreign insurance company<input type="radio"/> Insurance broker<input type="radio"/> Investment firm<input type="radio"/> Branch of foreign investment firm<input type="radio"/> Operator of regulated market<input type="radio"/> Central depository<input type="radio"/> Fund management company<input type="radio"/> Branch of foreign fund management company<input type="radio"/> Bureau
2. Personal data
2.1 Name, surname, patronymic

2.2 Gender	<input type="radio"/> male <input type="radio"/> female
2.3 Date of birth (day/month/year)	
2.4 Place of birth	
2.5 Citizenship	
2.6 Number and series of passport, issuer, date of issuance, expiration of validity of passport, (number and series of old passport, if any)	
2.7 Number of public services number (number of reference on not having public services number)	
2.8 Place of residence (permanent and actual)	
2.9 Telephone number	
2.10 E-mail address	
2.11 Please indicate your previous names, and periods of bearing those names	
Name, surname, patronymic	
Period of holding (day/month/year)	
3. Managerial position	

3.1 Please indicate the managerial position You shall hold in the financial organization, mentioned in point 1.1

- Head of board of directors (supervisory board) (head of board),
- Chief executive officer (chair of management board, head of directorate, head of executive body)
- Deputy chief executive officer (deputy chair of management board)
- Member of directorate (management board, executive body)
- Chief accountant
- Deputy chief accountant
- Head of internal audit function
- Member of internal audit function
- Manager of department responsible for provision of investment services by banks and credit organisations
- Head (chair) of oversight committee
- Deputy head (chair) of oversight committee
- Member of oversight committee
- Manager (head) of branch
- Executive director of branch
- Deputy executive director of branch
- Chief accountant of branch
- Head of disciplinary committee of operator
- Head of supervisory service of operator
- Member of supervisory service of operator
- Natural person executing functions of insurance broker
- Responsible actuary
- Natural person executing fund management activity in the name of fund management company or serving in its staff
- Manager of fund custodian
- Employee of fund custodian
- Employee of internal monitoring body

3.2 (Sub-point is revoked by No. 376-N, on 25.12.12)

3.3 Please describe your authorities and areas of responsibilities as a manager in detail

3.4. If You are the employee of internal monitoring body of bank, please indicate the name of department and the position

4. Education, qualification and work experience

4.1

<i>Name of educational institution</i>	<i>Location</i>	<i>Period of study (from-- to--)</i>	<i>Department</i>	<i>Profession</i>	<i>Scientific degree</i>

4.2 please indicate language skills

- Armenian
- English
- Russian
- Other (*please specify*)

4.3 Please indicate the following data on working experience in recent 10 years
(Please indicate the actual employment regardless whether it was indicated or not in your service record)

<i>Dates of assignment and resign</i>	<i>Company name of organisation</i>	<i>Location</i>	<i>Telephone number</i>	<i>Position, main duties</i>	<i>Grounds for resigning</i>

4.4 Please indicate details on 3 persons, who know you personally (at the moment of submission of this application), who can provide guarantee for you (if necessary). Moreover, one of those persons shall be employee of your last employer (last employer is the previous organisation You were employed), and other two-from the organisation, where you intend to work, and who work or have worked in financial system. If there is no such person, please indicate the absence of guarantors in the field of comments.

<i>Name, Surname</i>	<i>Company name of employer and its location</i>	<i>Position</i>	<i>Place of residence</i>	<i>Years of working in financial system</i>	<i>Telephone number, e-mail</i>

Comments: (this field shall be filled out, in case there is no guarantor (guarantors))

5. Information on managers

5.1 Were You recognized as legally incapable or having limited (restricted) legal capacity by legislation?

- No,
- Yes, please specify

5.2 Have You had previous convictions for committing wilful crime?

- No,
- Yes, (please specify, including whether you are cleared of a record of conviction, or your conviction is cancelled in accordance with law)

5.3 Are You deprived of right of holding positions in financial, banking, tax, customs, trading, economic, legal fields by court?

- No,
- Yes, please specify

5.4 Have You been bankrupt or do You have outstanding liabilities?

- No,
- Yes, please specify

5.5 Are you involved in any criminal case as suspected, accused person or culprit by the Republic of Armenia or other law-enforcement agencies?

- No,
- Yes, please specify

5.6 Have You been liable for crime, stipulated by the Republic of Armenia criminal code or criminal legislation of other countries?

- No,
- Yes, please specify

5.7 Has any financial organisation, operating in the territory of the Republic of Armenia or other country, been declared insolvent or bankrupt during the tenure of your appointment or in the course of your activities, or the financial standing of financial organisation, operating in the territory of the Republic of Armenia, was deteriorated, as per criteria, established by the board of the Central Bank, due to your action or inaction?

- No,
- Yes, please specify

5.8 Has any financial organisation, registered in the Republic of Armenia or foreign country, been declared insolvent or bankrupt during the tenure of your appointment due to your action or inaction?

- No,
- Yes, please specify

5.9 Have you been imposed any penalty during the tenure of your appointment as the manager of a financial organization during previous 1 year by the Republic of Armenia Central Bank or that financial organisation?

- No,
- Yes, please specify

5.10 Have you been deprived of accreditation certificate on the basis of grounds and according to procedures, defined by respective law, regulating the activity of financial organisation, mentioned in point 1.2 ?

- No,
- Yes, please specify (including the grounds for deprivation of accreditation certificate)

6. Major shareholding and affiliation

6.1 Please indicate the financial organisations as well as non-financial institutions, being reporting securities issuer, in chartered capital of which You are or you were, during recent 5 years, the major shareholder?

Please indicate the shareholding starting from the major at this point in time

(Moreover, the provisions of points 6.1-6.3 concerning reporting issuers shall be completed only by persons providing investment services, operator of regulated market, central depository, managers of fund custodian, as well as natural persons executing fund management activity in the name of fund management company or serving in its staff, and employee of fund custodian)

<i>Company name of financial organisation (non-financial organisation being reporting issuer)</i>	<i>Period (for previous shareholding, please indicate the period of thereof)</i>	<i>Size of shareholding (%)</i>	<i>Quantity of shares</i>	<i>Total amount (in drams)</i>

6.2 If informed, please indicate the financial organisations, as well as non-financial organisations being reporting issuers, in chartered capital of which the persons, affiliated with You, are or they were, during recent 5 years, major shareholder?

Please indicate the shareholding starting from the major at this point in time

<i>Company name of financial organisation (non-financial organisation being reporting issuer)</i>	<i>Period (for previous shareholding, please indicate the period of thereof)</i>	<i>Size of shareholding (%)</i>	<i>Quantity of shares</i>	<i>Total amount (in drams)</i>

6.3 Please indicate the following data on persons working or worked in financial organisations and companies being reporting issuers, which are affiliated with You (if any)

(Affiliation is determined by respective law, regulating the activity of financial organisation, mentioned in point 1.2, and for reporting issuers-by the Republic of Armenia law "On Securities Market. For the purpose of this Regulation, the members of the same family are parents, spouse, children, sister and brother)

<i>Name, surname</i>	<i>Period (for persons previously employed in financial institution (company - reporting issuer) please indicate the period of working in respective financial institution (company - reporting issuer))</i>	<i>Number of passport</i>	<i>Type of affiliation</i>	<i>Employer</i>	<i>Position</i>	<i>Telephone number</i>

7.Cash (or other) obligations

7.1 Do You have cash (or other) obligations towards the financial organisation, whose manager You shall become?

- No ,
- Yes, please specify (amount, repayment period, other)

7.2 If informed, please indicate whether the persons affiliated with You have cash (or other) obligations towards the financial organisation, whose manager You shall become

- No ,
- Yes, please specify (amount, repayment period, other)

7.3 Do You have or have had overdue obligations towards financial organisations operating in the territory of the Republic of Armenia

- No,
- Yes, please specify (company name of financial organisation, amount, repayment period, other)

7.4. If informed, please indicate whether persons affiliated with You have or have had overdue obligations towards financial organisations operating in the territory of the Republic of Armenia

- No ,
- Yes, please specify (amount, repayment period, other)

8. Other information

8.1 Please complete the following data on natural persons affiliated with You (except for persons defined in point 6.3)

<i>Name, surname</i>	<i>Number of passport</i>	<i>Type of affiliation</i>	<i>Employer</i>	<i>Position</i>	<i>Place of residence</i>	<i>Telephone number</i>

8.2 Please indicate the following data on legal persons affiliated with You

<i>Organisation name</i>	<i>Location</i>	<i>Type of affiliation</i>	<i>TIN</i>	<i>Telephone number</i>

9. Is there any other important information You wish to indicate?

- No,
- Yes, please specify

10. Other documents

10.1 This point shall be filled out only by board members of bank

I acknowledge that I have read the guideline “On Activity of Board Members”

- Yes
- No

11. (Point is revoked by No. 376-N, on 25.12.12)

12. Hereby I confirm that

- a. the information presented in this document is reliable and complete*
- b. grounds for refusal of registration of manager, stipulated by respective laws and regulations, do not exist,*
- c. abovementioned person is compliant with the requirements set by respective laws and regulations*

Signature of person, authorised by the management body of financial organisation

Name, surname

of person, authorized

by the management body of financial organisation

Date (day/ month/year)

Signature

Signature of the manager presented for registration

(Appendix is amended by No. 363-N on 20.12.11, amended by No. 376-N on 25.12.12)

Appendix 2.a

of the Appendix to “On Accreditation of Managers of Investment Fund Managers and Custodians, Natural Persons Executing Investment Fund Management Activity and Investment Fund Custody Keeping, Criteria for Their Professional Compliance and List of Topics for Assessing Their Professional Qualification” Regulation 10/05

PROCEDURE OF REGISTRATION OF MANAGERS OF FUND MANAGEMENT COMPANIES AND CUSTODIANS

No.	Managers of financial institutions	Procedure
1.	<i>Fund manager, including:</i>	
1.	Chair of supervisory board	C
2.	Members of supervisory board	C
3.	Chief executive officer	C
4.	Members of executive body	C
5.	Deputy chief executive officer	C
6.	Chief accountant	C
7.	Deputy chief accountant	C
8.	Head of internal audit function	C
9.	Members of internal audit function	S
10.	Head of branch office	S
11.	Natural persons executing fund management activity in the name of fund management company or serving in its staff	S
2.	<i>Fund custodian</i>	
1.	Manager	C
2.	Employee	S

(Appendix is amended by No. 376-N on 25.12.12)

of the Appendix to “On Accreditation of Managers of Investment Fund Managers and Custodians, Natural Persons Executing Investment Fund Management Activity and Investment Fund Custody Keeping, Criteria for Their Professional Compliance and List of Topics for Assessing Their Professional Qualification” Regulation 10/05

LIST OF INTERNATIONAL FINANCIAL ORGANIZATIONS

1. Asian Development Bank
2. Bank of International Settlements
3. Black Sea Trade and Development Bank
4. Caribbean Development Bank
5. Central American Bank of Economic Integration
6. Latin American Development bank (Corporation Andina de Fomento)
7. European Bank for Reconstruction and Development
8. European Commission
9. European Investment Bank
10. Inter-American Development Bank
11. International Monetary Fund
12. Islamic Development Bank
13. Nordic Development Fund
14. (Nordic Investment Bank
15. OPEC Fund for International Development
16. Organization for Economic Co-operation and Development
17. Organization of Petroleum-Exporting Countries
18. World Bank Group
 - 1) International Bank for Reconstruction and Development
 - 2) International Development Association
 - 3) International Finance Corporation
 - 4) Multinational Investment Guarantee Agency
 - 5) International Centre for Settlement of Investment Disputes
19. Reconstruction bank (Kreditanstalt für Wiederaufbau (KfW))
20. Financial institutions of member-countries of Organization for Economic Co-operation and Development

(Appendix is amended by No. 376-N on 25.12.12)

Appendix 3

of the Appendix to “On Accreditation of Managers of Investment Fund Managers and Custodians, Natural Persons Executing Investment Fund Management Activity and Investment Fund Custody Keeping, Criteria for Their Professional Compliance and List of Topics for Assessing Their Professional Qualification” Regulation 10/05

**FORM OF ACCREDITATION CERTIFICATE OF ACCREDITED PERSON
OF FUND MANAGEMENT COMPANY, FUND CUSTODIAN**

CERTIFICATE No.

This certificate is given to

_____ *Name, surname*

_____ *data of identification document*

for holding the following position (positions)

(name of position or positions)

This certificate is valid until

“ “ _____ 20

Chairperson of the Republic of Armenia Central Bank _____

“ “ _____ 20

Appendix 4

of the Appendix to “On Accreditation of Managers of Investment Fund Managers and Custodians, Natural Persons Executing Investment Fund Management Activity and Investment Fund Custody Keeping, Criteria for Their Professional Compliance and List of Topics for Assessing Their Professional Qualification” Regulation 10/05

**APPLICATION
FOR APPEAL OF RESULTS OF ACCREDITATION EXAMINATION**

Name, surname of appellant -----

Passport data of appellant -----

Day, month, year of taking examination-----

Type of accreditation -----

Telephone number -----

E-mail address (if any)-----

Please describe the problematic issue being the reason for appeal

Signature of applicant

“ ” ----- 20