

CODE

050.0002 N.13.01.15

January 13, 2015 No 2-N

ON APPROVAL OF REGULATION 16.02 ON “PROCEDURE AND CONDITIONS OF ISSUANCE AND SERVICING (CIRCULATION) OF ELECTRONIC MONEY, THE REQUIREMENTS ON PERFORMING OPERATIONS WITH ELECTRONIC MONEY” AND REPEALING THE RESOLUTION NUMBER 73-N DATED APRIL 13, 2010 OF THE BOARD OF THE CENTRAL BANK OF THE REPUBLIC OF ARMENIA

Taking into consideration, that the banks and organizations, having the license, provided by the competent body, to perform money transfers, operating within the territory of the Republic of Armenia, may perform issuance, servicing and realization (distribution) of electronic money only in accordance with the normative legal act of the Central Bank of the Republic of Armenia (hereinafter, Central Bank) and only based on the respective permission,

Intending to clarify the legal environment, regulating performance of payments with electronic money, as well as developing more favorable conditions for performing and developing payments with electronic money within the territory of the Republic of Armenia,

to increase social trust towards performing payments with electronic money in the virtual environment,

to prevent and manage all the risks, that can arise during providing services with electronic money in the Republic of Armenia,

Pursuant to Articles 2 and 55 of the Law of the Republic of Armenia “On banks and banking”, Articles 17(2), 19.1(7) and 25 of the Law of the Republic of Armenia “On Payment-settlement Systems and Payment-settlement Organizations”,

In conformity with the provisions of points “e” of Article 20 of the Law of the Republic of Armenia “On the Central Bank of the Republic of Armenia”, Article 71 of the Law of the Republic of Armenia “On legal acts”, the Board of the Central Bank of the Republic of Armenia

d e c i d e s:

1. to approve Regulation 16.02 on “Procedure and conditions of issuance and servicing (circulation) of electronic money, the requirements on performing operations with electronic money”, in conformity with the Appendix (attached).

2. to repeal the Resolution Number 73-N, dated April 13, 2010, of the Board of the Central Bank of the Republic of Armenia on “Approval of Regulation 16/2 on “Procedure and conditions of issuance and servicing (circulation) of electronic money, the requirements on performing operations with electronic money”.

3. This Resolution shall come into force on the tenth day after its official publication.

**Chairman of the Central Bank
of the Republic of Armenia**

A.Javadyan

**January 16, 2015
Yerevan**

Approved by
Resolution No 2-N of the
Board of the Central Bank of the Republic of Armenia
on January 13, 2015

REGULATION 16.02

PROCEDURE AND CONDITIONS OF ISSUANCE AND SERVICING (CIRCULATION) OF ELECTRONIC MONEY, THE REQUIREMENTS ON PERFORMING OPERATIONS WITH ELECTRONIC MONEY

CHAPTER 1. GENERAL PROVISIONS

1. This Regulation defines the procedure and conditions of issuance and servicing (circulation) of electronic money within the territory of the Republic of Armenia, compliance with the requirements on issuers of electronic money and meeting the liabilities, filling and submission of the statements by the issuers, as well as the conditions of outsourcing of operations, defined by this Regulation, by the issuers of electronic money.

2. This Regulation applies to the issuers of electronic money, defined by sub-point 2 of point 3 of this Regulation. The requirements of this Regulation do not apply to the services, specified by Appendix 1.

CHAPTER 2. THE MAIN CONCEPTS, USED IN THIS REGULATION

3. The main concepts, used in this Regulation, are the followings:
- 1) **electronic money** – in the meaning, specified by sub-point “u” of Article 3 of the Law of the Republic of Armenia “On payment-settlement systems and payment-settlement organizations”,
 - 2) **issuer of electronic money** (hereinafter, **Issuer**) – an organization, which has got the license from the Central Bank of the Republic of Armenia (hereinafter, Central Bank) to perform money transfers, and which has also got the permission from the Board of the Central Bank to issue electronic money; or a commercial bank or a branch of the foreign bank or other organization, operating within the territory of the Republic of Armenia, which, according to the laws and other legal acts of

the Republic of Armenia, can issue electronic money within the territory of the Republic of Armenia,

- 3) **System of settlements with electronic money** (hereinafter, **System**) – the complex of Issuers or Agents (hereinafter, **Participants**), as well as processes, ensuring the use of procedures, rules, hardware-software complexes, ensuring issuance and servicing of electronic money,
- 4) **Rules of the system** - rules, approved by the competent management body of the operator of the System, which define the procedure and conditions of participation in the System, issuance, use, servicing of electronic money, general rules and procedures, related to the services, provided in the System, implementation of clearing, processing and settlement, use of hardware-software complexes, ensuring their implementation,
- 5) **Operator of the System** – the participant of the System, which is responsible for operation of the System, and which is authorized by the other members of the System to perform the clearing and (or) settlement,
- 6) **User** – natural person, legal person or sole entrepreneur, which, in accordance with the contract, signed with the issuer, and the rules of the System, has the right to use the acquired electronic money for the services, provided in the System, in accordance with the conditions and rules, published and defined beforehand by the issuer,
- 7) **Recording account** – a complex of recordings in the centralized registry or the microprocessor (chip) of the data of the Issuer about money liabilities of the Issuer against the User, Provider of the service, Agent, Distributor or Convertor (hereinafter, Customer) in the centralized registry or the microprocessor (chip) of the data of the Issuer,
- 8) **Servicing of electronic money** – assurance of performing operations (providing services) with electronic money and implementation of settlements, related to them, as a result of which the User gets an opportunity to replenish the Recording account and (or) withdraw (submit for repayment) the electronic money available on the Registration account, transfer electronic money to other Users, registered in the System and (or) pay to Service providers for the provided services, sold goods,
- 9) **Conversion of electronic money** – a function of the Issuer, as a result of which a conversion of electronic money, issued by any issuer of electronic money, into electronic money, issued by another system, is being performed (hereinafter, Conversion). The function of conversion, mentioned in this sub-point, can be outsourced by the Issuer to another person (hereinafter, Convertor), in accordance with the terms, specified by Chapter 5 of this Regulation,

- 10) **Invoice of operations with electronic money** – a payment-settlement document, certifying the performance of the operation with electronic money, developed in the form, specified by normative legal act of the Board of the Central Bank,
 - 11) **Charging card** – a code, having a nominal value, specified by the Issuer, which can be in the form of a card and which gives the User a possibility to replenish his/her Registration account for the amount of money, paid by him/her,
 - 12) **Repurchase (return) of the charging card** – a mandatory repurchase of non-activated charging cards of the Issuer by the Issuer, except for the cases, when due to the damage of the card it is not possible to find out the authenticity of the charging card or the fact of use of the card,
 - 13) **Service provider** – a legal person or a sole entrepreneur, which in accordance with the contract, signed with the Issuer, and the rules of the System, has agreed to accept the issued electronic money as a payment mean for its provided services, sold goods or performed work,
 - 14) **Agent** – financial organization, mentioned in sub-point 15 of this point, other than the Issuer, which in accordance with the contract, signed with the Issuer, and the rules of the System, performs repayment of electronic money and (or) replenishment (charging) of Registration account of the User, as well as sale of charging cards and disposable (one-time-used) non-rechargeable electronic purses,
 - 15) **Financial organization** – an organization, having the license to perform money transfers, or a bank or a branch of the foreign bank, operating within the territory of the Republic of Armenia,
 - 16) **Distributor** – a person other than the Issuer, which in accordance with the contract, signed with the Issuer, and the rules of the System, performs sale of charging cards and (or) disposable (one-time-used) non-rechargeable electronic purses.
4. Depending on the technology used, the Issuer may issue the following types of electronic money.
- 1) **Card-based electronic money** (hereinafter, **electronic purse**) – a money value (prepaid electronic value), contained in the microprocessor (chip), installed in the card or other equipment, which allows the User to use it, through respective infrastructure, for the services, provided in the System, in accordance with the contract, signed with the Issuer, and the rules of the System, and during of use of which the money value, contained in the microprocessor (chip) id being deducted or added in real-time regime. At the same time, the information about the operation is being transferred to the Issuer,

- 2) **Computer-based electronic money** (hereinafter, **virtual money**) – a money value (prepaid electronic value), registered in the operation system, installed on the Issuer’s computer or other electronic device, or through a special software, which allows the User to use it, through a respective network or internet, for the services, provided in the System, in accordance with the contract, signed with the Issuer, and the rules of the System.
5. The electronic money, defined by point 4 of this Regulation, can be:
 - 1) **Rechargeable electronic money** - a money value (prepaid electronic value), kept in the microprocessor (chip) or the centralized data registry of the Issuer, which can be recharged (added),
 - 2) **Disposable (on-time-used) non-rechargeable electronic money** - a money value (prepaid electronic value), kept in the microprocessor (chip) or the centralized data registry of the Issuer, which cannot be recharged.
 6. The Issuer must ensure that the circulation of electronic money, specified by sub-points 1 and 2 of point 4 of this Regulation, takes place via a **closed model of circulation of electronic money**. The latter means, that the system should be designed in such a way, that the double-use of electronic money is excluded, which means that the electronic money, received by the Service provider, registered in the System, against its provided services or sold goods must be submitted to the Issuer for repayment by paying relevant money means to the Service provider.
 7. By means of this Regulation, the following services (operations) may be provided, related to electronic money:
 - 1) **sale (realization) of charging cards** – a function, as a result of which a charging card for replenishment of Registration account of electronic money, issued in respective nominal value, is being provided against the money, paid in cash or non-cash forms,
 - 2) **Issuance of electronic money/replenishment (charging) of Registration account** – a function, as a result of which the Issuer increases the amount of electronic money, available on the Registration account of the User, registered in the System, by amount, subject to recharge, paid in cash or non-cash form, receiving a money liability against the User,
 - 3) **Sale (realization) of disposable (one-time-used) non-rechargeable electronic purses** – a function, as a result of which a disposable (one-time-used) non-rechargeable electronic purse, containing the money value paid at the moment of purchase, is being provided against the money, paid in cash or non-cash forms,
 - 4) **Payment with electronic money** – a function, as a result of which the payment against the services provided, goods sold by the Service provider is being performed with electronic money, by deducting the electronic money, available at

the Registration account of the User, registered in the system and initiating the payment, by the amount payable, and by adding the Registration account of the Service provider, registered in the System,

- 5) **Repayment of electronic money** – a function, as a result of which the Issuer deducts the electronic money, available at the Registration account of the Customer, registered in the System, by ordered amount repayable, by paying in cash or non-cash forms to the Customer and by deducting its money liability against the Customer,
- 6) **Conversion of electronic money** – a function, as a result of which the Issuer gets an obligation to ensure the existence of convertible electronic money on the electronic money amount of the User in the other system, issuing electronic money, at the same time, by deducting the electronic money, available at the Registration account of the User, registered in the System and initiating the conversion, by the amount of electronic money, subject to conversion. Moreover, the Issuer's obligation against the User is considered to be met after receiving from the User the confirmation of existence of electronic money in another system, issuing electronic money, pursuant to the procedure, specified by the Issuer. In case, when as a result of the conversion, the electronic money is not available at the electronic money account of the User in another system, issuing electronic money, then the Issuer is obliged to return the money to the User,
- 7) **Conversion of electronic money via the Convertor** – a function, as a result of which the Issuer gets an obligation to ensure the existence of convertible electronic money on the electronic money amount of the User in the other system, issuing electronic money, at the same time, by deducting the electronic money, available at the Registration account of the User, registered in the System and initiating the conversion, by the amount of electronic money, subject to conversion, and by adding the Registration account of the Convertor, registered in the System, by the appropriate amount. Moreover, the Issuer's obligation against the User is considered to be met after receiving from the User the confirmation of existence of electronic money in another system, issuing electronic money, pursuant to the procedure, specified by the Issuer. In case, when as a result of the conversion, the electronic money is not available at the electronic money account of the User in another system, issuing electronic money, then the Issuer is obliged to return the money to the User,
- 8) **Transfer of electronic money** – a function, as a result of which the Issuer gets an obligation to deduct the electronic money, available at the Registration account of the User, registered in the System and initiating the transfer, by the amount

transferable, by adding the Registration account of another User, registered in the system and receiving the transfer, by the appropriate amount.

CHAPTER 3. THE MINIMUM REQUIREMENTS, APPLIED TO THE REGULATION OF ACTIVITIES OF THE ISSUER, CONTRACTS AND DOCUMENTS RELATED TO THE RULES/SCHEMES OF CIRCULATION OF ELECTRONIC MONEY

8. The Issuer should have a developed regulation of activities, approved by the competent management body, which at least includes:

- 1) the types of services, provided by the Issuer, as well as the procedure, conditions and terms of their provision,
- 2) the terms, procedure and conditions of performing the settlement of money liabilities and (or) claims, occurred as a result of operations, performed by the Customers,
- 3) the description of management mechanisms of the risks, arising between the Issuer and the Customer,
- 4) the clear procedure of meeting the liabilities, received as a result of issuance of electronic money, which shall describe the procedure and conditions of repayment of the issued electronic money,
- 5) the procedure and conditions of money repayment to the User, in amount of available electronic money, after the expiration date, in case a maximum expiration term has been defined for the electronic money,
- 6) the maximum terms, procedure and conditions of keeping the invoices, certifying the operations with electronic money, and providing excerpts about performed operations,
- 7) the procedure and conditions of distribution or authorities, liabilities and responsibilities among the Participants,
- 8) the terms, procedure and conditions of examination of claims, submitted by the Participants, satisfaction or rejection of the claims, based on the results of examination,
- 9) description of procedures of identification of each Customer, registered in the System, including the procedure and conditions of using of passwords, codes,
- 10) description of procedures of identification of electronic money and charging cards, issued by the System, including the procedure and conditions of using of passwords, codes,
- 11) the procedure and conditions of accounting and safekeeping of the printed charging cards,

- 12) the procedure and conditions of accounting and safekeeping of the sold (including, via distributors and (or) agents) charging cards, as well as the procedure and conditions of performing settlements with the distributors and (or) agents,
- 13) the procedure and conditions of accounting and safekeeping of the sold (including, via distributors and (or) agents) disposable (one-time-used) non-rechargeable electronic purses, as well as the procedure and conditions of performing settlements with the distributors and (or) agents,
- 14) the procedure and conditions of accounting of the liabilities against the issued electronic money,
- 15) the procedure and conditions of accounting of repaid electronic money (including, via agents),
- 16) the procedure and conditions of accounting of repurchased charging cards,
- 17) the procedure and conditions of documentation and safekeeping of the documents on each operation, related to the issuance and servicing of electronic money,
- 18) the requirements, applied to the new Customer, participating in the System,
- 19) the requirements, applied to the equipment, ensuring operations with electronic money, the procedure and conditions of their servicing.

9. During providing electronic money, a contract on opening and replenishment of Registration account for issuance and servicing of electronic money (hereinafter, electronic money issuance and servicing contract) is being signed between the Issuer and the User, which at least includes the following provisions:

- 1) on rights, liabilities and responsibilities of the User,
- 2) on rights, liabilities and responsibilities of the Issuer,
- 3) on types of services, provided in the System with electronic money,
- 4) on type of servicing of electronic money, network used, terms of charging of fees, requirements on use; and if they can be changed, then the procedure, conditions and terms of notification of the User about the changes,
- 5) on the fees, applied by the Issuer,
- 6) on the procedure, conditions, terms and types of repayment of electronic money (including, after the expiration date), replenishment (charging) of Registration accounts,
- 7) on size of responsibility, the procedure, conditions and terms of actions taken by the Issuer in case of occurred frauds, unauthorized operation, technical errors or other problems,
- 8) the procedure, conditions and terms of immediate notification of the Issuer by the User in case of occurred frauds, unauthorized operation, technical errors or other problems,

- 9) on those cases and conditions, when the information about the User can be provided to other persons,
- 10) on the procedure, conditions and terms of resolution of a quarrel, in case of disagreement by the User.

10. A contract on acceptance of electronic money as a mean of payment against the provided services, sold goods (hereinafter, contract on providing of services) is being signed between the Issuer and the Service provider, registered in the System and giving its consent to accept electronic money as a mean of payment, which at least includes the following provisions:

- 1) on rights, responsibilities of the Service provider, as well as on calling to account for not meeting or incomplete meeting of the responsibility,
- 2) on the procedure, conditions and terms of notifying the Issuer on the types of services, provided by the Service provider, applied charges and other conditions, as well as their changes,
- 3) on fees, applied by the Issuer,
- 4) on the procedure, conditions and terms of implementation of settlements of the liabilities, occurred as a result of provision of services in the System,
- 5) on the procedure, conditions and terms of implementation of settlements between the Issuer and the Service provider, related to the liabilities, occurred as a result of refund of the money, received against the goods sold (services provided) by the Service provider (including the cases, when the operation is considered as void).

11. In case of sale of the charging cards via a Distributor or an Agent, the contract, signed with the Issuer, at least includes the provisions about the procedure, conditions and terms of implementation of settlements between the Distributor or the Agent and the Issuer, as well as provisions on the rights, liabilities and responsibilities of the parties.

12. The procedure and conditions, defining the level of damage, excluding the repurchase of the charging card by the Issuer, is being set by the Issuer by itself and provided to the User beforehand.

13. In case of sale of the disposable (one-time-used) non-rechargeable electronic purses via a Distributor or an Agent, the contract, signed with the Issuer, at least includes the provisions about the procedure, conditions and terms of implementation of settlements between the Distributor or the Agent and the Issuer, as well as provisions on the rights, liabilities and responsibilities of the parties.

14. In case of performing the repayment and (or) replenishment of electronic money via an Agent, the contract, signed with the Issuer, at least includes provisions on the procedure, conditions and terms of implementation of settlements between the Agent and the Issuer, the repayment of electronic money at the User's first demand, as well as provisions about the rights, liabilities and responsibilities of the parties when performing the repayments and replenishment of electronic money.

15. The information about performing repayment and replenishment of electronic money is being submitted to the Issuer by the Agent, within the terms and in the form, specified by the contract, signed with the Issuer, and the rules of the System.

16. The Issuer develops system rules, regulating the circulation of electronic money, issued by the Issuer, which define the scope of authorities and responsibilities of the Customers, including, the procedure on terms and mechanism of loss distribution as a result of an incident in the System or a problem or a fraud, as well as the requirements applied to the Customers and the scheme of circulation of electronic money, which are being approved by the competent management body.

17. Any change of internal procedures, rules and conditions, ensuring the performance of operations with electronic money by the Issuer, is being recorded, documented and approved by the competent management body of the Issuer.

CHAPTER 4. THE REQUIREMENTS ON PERFORMING OPERATIONS WITH ELECTRONIC MONEY

18. The operations with electronic money are being performed, in accordance with the contracts, signed between the Customer and the Issuer, and the rules of the System.

19. The electronic money, issued by the Issuer and kept on the Registration account (accounts), identifying each User, cannot exceed the equivalent of 1 000 000 Armenian Drams at any moment of time, despite the number of accounts, opened in the name of each User, except for the case, specified by point 20 of this Regulation.

20. The disposable (one-time-used) non-rechargeable electronic money, issued by the Issuer and kept on the Registration account of each User, cannot exceed the equivalent of 200 000 Armenian Drams at any moment of time.

21. Except for the case, specified by point 22 of this Regulation, the Issuer must set a proper procedure of identification of the Customer, in accordance with the Law of the Republic of Armenia “On combating money laundering and financing of terrorism”; or a procedure of identification through the payment card, issued by the commercial bank, except for the payment cards, issued by the commercial banks of the high risky countries, published by the Financial Action Task Force (FATF).

22. The mandatory requirement of User’s identification, specified by point 21 of this Regulation, might not be set for disposable (one-time-used) non-rechargeable electronic money, if the scope of use of the given electronic money is strongly limited by the following operations:

- 1) payments to the Service providers, registered in the System (C2B, P2B),
- 2) payments to the state (C2G, P2G), for which a requirement of identification of the payer is not specified by the legislation of the Republic of Armenia,
- 3) payments from the state (G2C, G2P).

23. The funds, available on the Recording account, not identifying the User of disposable (one-time-used) non-rechargeable electronic money, specified in point 22 of this Regulation, are not subject to withdrawal or transfer to another User.

24. The sale of charging cards and (or) disposable (one-time-used) non-rechargeable electronic purses may be performed by the Issuer personally, as well as through an Agent and (or) a Distributor, which have signed a contract on providing of services with the Issuer and are acting in accordance with the rules of the System.

25. The repurchase of the charging cards is being performed by the Issuer personally, despite the fact who has sold the charging cards.

26. The repayment and (or) replenishment of electronic money may be performed by the Issuer personally and (or) through an Agent, in accordance with the contract on providing of services, signed with the Issuer, and the rules of the System.

27. The funds, available on the User's Recording account, are subject to repayment (withdrawal) at the User's first demand by the Issuer personally and (or) through an Agent. Despite of any circumstance, the Issuer ensures the withdrawal (repayment) of funds, available on the User's Recording account, by itself, except for the case, specified by point 23 of this Regulation.

28. The funds, available on the Recording account of the Service provider, are subject to repayment at the first demand of the Service provider by the Issuer personally and (or) through an Agent, by transferring the money to the banking account of the Service provider. Despite of any circumstance, the Issuer ensures the withdrawal (repayment) of funds, available on the Recording account of the Service provider, by itself.

29. Service providers, registered in the System, may not transfer the electronic money, available on their Recording account to the Recording account of the User, registered in the System under its own name, and vice versa, to transfer from the User's Recording account to the Recording account of the Service provider, registered in the System under its own name.

30. The Issuer ensures the servicing of electronic money, issued by itself and purchased by the User, bearing the risk of the User's losses as a result of not providing or non-properly providing the servicing.

31. The Issuer must ensure that the User has a possibility to use the electronic money pursuant to the contract, signed with the Issuer, despite of the provisions of the contract, signed between the Issuer and the Agent.

32. Issuance and repayment of electronic money within the territory of the Republic of Armenia is being performed in Armenian Dram.

CHAPTER 5. THE CONDITIONS OF OUTSOURCING OF CONVERSION FUNCTION

33. The conversion function, specified by this Regulation, can be outsourced by the Issuer in the case:

- 1) if the conditions, specified by part 4 of Article 19.1 of the Law of the Republic of Armenia “On payment-settlement systems and payment-settlement organization” (hereinafter, Law), are satisfied,
- 2) if the Convertor is a legal person or a sole entrepreneur and performs only Conversion in the System of the Issuer,
- 3) if the Convertor submits a legal document (rule of the System, contract, etc.), which defines the authority of the Convertor to perform the conversion of electronic money, issued by the system of electronic money, including, to sign contracts for performing conversion of electronic money, issued by the system of the given electronic money, for other persons,
- 4) if a contract of outsourcing of the conversion function is signed between the Issuer and the Convertor, which at least includes the respective provisions:
 - a. on the rights, responsibilities of the Convertor, as well as on calling to account for not meeting or incomplete meeting of its responsibilities,
 - b. on the procedure, conditions and terms of notification on the outsourcing services, provided by the Convertor, applied charges, charging of fees and other conditions, as well as their changes,
 - c. on the fees, applied by the Issuer,
 - d. on the procedure, conditions and terms of implementation of settlements of the liabilities, occurred as a result of provision of services by the Convertor,
 - e. on the procedure, conditions and terms of implementation of settlements between the Issuer and the Convertor, related to the liabilities, occurred as a result of refund of the money, received against the services provided by the Convertor (including the cases, when the operation is considered as void),
 - f. provisions about bearing of responsibility by the Issuer against the User for not meeting or non-properly meeting the liabilities, related to the service, outsourced to the Convertor,
 - g. provisions about implementation of control (supervision) over the Convertor, pursuant to the Law, in part of performing the outsourced functions,
 - h. provisions about the mechanisms, aimed at the management of the possible risks, as a result of outsourcing of the conversion function.

34. The draft of the contract, specified by sub-point 4 of point 33 of this Regulation, is being submitted to the Central Bank before outsourcing of the conversion function. Moreover, the provision of the already signed contract cannot differ from the provision of the draft contract, submitted to the Central Bank.

35. The outsourcing of conversion should not bring to deterioration of quality of internal control of the Issuer or the ability of the Issuer's competent management body to perform monitoring over the compliance of the Converter with the requirements of the legislation.

CHAPTER 6. THE PROCEDURE AND CONDITIONS OF SUBMISSION AND FILLING OF THE STATEMENTS ABOUT SERVICING OF ELECTRONIC MONEY BY THE ISSUER

36. The Form 11 statement, defined by this Regulation, is being submitted solely by electronic mail via the CBA-Net network, pursuant to the files, provided by the Central Bank, in accordance with Appendix 2. In case of failure of the CBA-Net network, the statement is being submitted by a magnetic carrier, attached with a note about the failure. The statement is being submitted to the Central Bank with the protected file (in "Microsoft Office 97" or its improved version), sent to the Issuer by the unit of the Central Bank, responsible for receiving and summarizing the statements. Change of the file is prohibited. Statements, submitted in other ways, are considered as not received.

37. The date of the last day of the reporting period is being mentioned in the statement. The date is being mentioned in the following format: day.month.year (for example, 31/01/2014).

38. The Form 11 statement (monthly) consists of 5 tables. The statement includes data related to electronic money, issuance, servicing and repayment of charging cards, as well as the types of operations, performed with electronic money and the Recording accounts, kept by the issuer.

39. In the first table of the statement, "On issued and repaid electronic money", the data is being filled about the sum and amount of electronic money, charged and (or) repaid by the Issuer, Agent or Distributor during the reporting month. Moreover:

- 1) In the "Type of electronic money" column, the type of electronic money, issued by the Issuer, is being presented, which is being filled according to the following classification: "Electronic purse" or "Virtual money".
- 2) In the "Form of electronic money" column, the form of electronic money, issued by the Issuer, is being presented, which is being filled according to the following classification: "one-time-used" or "rechargeable".
- 3) In the "Serviced by" column, the party, ensuring the recharge and (or) repayment of Recording account of the electronic money, opened by the Issuer, is being filled. That fills:

- a. "Issuer", if the recharge or repayment of electronic money has been performed by the Issuer,
 - b. "Agent", if the recharge or repayment of electronic money has been performed by an Agent,
 - c. "Distributor", if the sale of disposable (one-time-used) electronic purse has been performed by a Distributor.
- 4) In the "Type of operation" column, the type of operation, performed with electronic money, is being presented, which is being filled in accordance with the following classification: "recharge" or "repayment".
- 5) In the "Recording accounts" column, the operations, performed with the Registration accounts, registered in the System, are being presented, where the followings are being filled:
- a. "Service provider", if the repayment of electronic money from the Registration account has been performed for a Service provider, registered in the System,
 - b. "User-natural person", if the charging of Registration account or the repayment of electronic money from the Registration account has been performed for a User, which is a natural person,
 - c. "User-legal person", if the charging of Registration account or the repayment of electronic money from the Registration account has been performed for a User, which is a legal person or a sole entrepreneur,
 - d. "Convertor", if the repayment of electronic money from the Registration account has been performed for a Convertor, registered in the System,
- 6) In the "Method of charging or repayment" column, the methods of charging or repayment of the Registration account, registered in the System, are being presented, where the followings are being filled:
- a. "Cash funds", if the charging of the Registration account or the repayment of electronic money from the Registration account has been performed with cash funds,
 - b. "Banking accounts", if the charging of the Registration account has been performed by a transfer from a banking account, or the repayment of electronic money from the Registration account has been performed by a transfer to a banking account,
 - c. "Payment card", if the charging of the Registration account has been performed by a transfer from a payment card, or the repayment of electronic money from the Registration account has been performed by a transfer to a payment card,

- d. "Via terminal", if the charging of the Registration account has been performed via a terminal,
- e. "Via other e-money", if the charging of the Registration account has been performed by a transfer from an e-money account, or the repayment of electronic money from the Registration account has been performed by a transfer to an e-money account,
- f. "by a charging card", if the charging of the Registration account has been performed by a charging card,
- g. "via another device", if the charging of the Registration account or the repayment of electronic money from the Registration account has been performed via another device (POS terminal, ATM and other).

40. In the second table of the statement, "On printed, sold or repurchased charging cards, by nominal value", the data is being filled about the sum and amount of charging cards, printed, sold or repurchased during the reporting month. The followings are being filled:

- 1) In the "Charging cards by nominal value" column, the charging cards, printed by the Issuer, are being presented, by their nominal value (should be chosen from the list, respectively).
- 2) In the "By whom" column, the data about the parties, performing the sale and repurchase of the charging cards, printed by the Issuer, is being presented. The followings are being filled:
 - a. "Issuer", if the sale or repurchase of the charging cards has been performed by the Issuer,
 - b. "Agent", if the sale of the charging cards has been performed by the Agent,
 - c. "Distributor", if the sale of the charging cards has been performed by the Distributor.
- 3) In the "Operation" column, the data about the printed, sold or repurchased charging cards is being presented. The followings are being filled:
 - a. "Printed", if the Issuer has printed the charging cards with respective nominal values,
 - b. "Sold", if the Issuer, Agent or Distributor has sold the charging cards with respective nominal values,
 - c. "Repurchased", if the Issuer has repurchased the charging cards with respective nominal values.

41. In the third table of the statement, "On operations with electronic money", the data is being filled about the sum and amount of operations with electronic money, performed during the reporting month, separated by the types of services and Service providers. The followings are being filled:

- 1) In the “Type of electronic money” column, the type of electronic money, used against the provided services or the sold goods, is being presented: “electronic purse”, if the payment against the provided service or the sold good has been performed by electronic purse; or “virtual money”, if the payment against the provided service or the sold goods has been performed by virtual money.
- 2) In the “Form of electronic money” column, the form of electronic money, used against the provided services or the sold goods, is being presented: “one-time-used”, if the payment against the provided service or the sold goods has been performed by a disposable (one-time-used) non-rechargeable electronic money; or “rechargeable”, if the payment against the provided service or the sold goods has been provided by a rechargeable electronic money.
- 3) In the “Type of operation” column, the types of operations, performed in the System, are being presented. The followings are being filled:
 - a. “Payment”, if a payment has been performed by the electronic money (for example, for utilities, repayment of a credit or for an insurance), classified by the respective rows: “1. Water”, “2. Gas”, “3. Electricity”, “4. Mobile services” or “5. Payments against fixed phone services”, etc.,
 - b. “Conversion via Convertor”, if a conversion of electronic money to another electronic money, or vice versa, has been performed by the Users via a Convertor, registered in the System. The data is being filled, classified by the respective rows: “Purchase of other electronic money” or “Sale of other electronic money”,
 - c. “Conversion”, if a conversion of electronic money issued in the System, to another electronic money, or vice versa, has been performed by the Users. The data is being filled, classified by the respective rows: “Purchase of other electronic money” or “Sale of other electronic money”,
 - d. “Transfer”, if a transfer of electronic money has taken place among the Users, registered in the System, via their Registration accounts, by choosing the “Transfer from a Registration account to a Registration account” row.
- 4) In the “Type of service” column, the services, provided in the System, are being presented, the payment against which has been performed by electronic money. The followings are being filled:
 - a. “Purchase of goods”, if the payment with electronic money has been performed in order to purchase a good,

- b. “Utilities”, if the payment with electronic money has been performed against utilities services: water, gas, electricity, fixed phone services or mobile services, respectively,
 - c. “MTPL”, if a payment against the insurance of motor vehicle has been performed with electronic money,
 - d. “Insurance”, if a payment against the insurance has been performed with electronic money,
 - e. “Transfer from a Registration account to a Registration account”, if a transfer has been performed with electronic money from a Registration account to another Registration account, registered in the System,
 - f. “Taxes”, “Duties” or “Penalties”, if payments to the Treasury have been performed with electronic money,
 - g. “Repayment of a loan”, if a loan repayment has been performed with electronic money,
 - h. “Purchase of other electronic money” or “Sale of other electronic money”, if a purchase or sale of electronic money, issued by an issuer of other electronic money, has been performed, respectively,
 - i. “Other”, if payments against services, other than those mentioned in the abovementioned list, have been performed with electronic money.
- 5) In the “Beneficiary of the payment” column, the beneficiary of the payment with electronic money is being presented. The followings are being filled:
- a. “Service provider”, if the Service provider is the recipient of the payment with electronic money,
 - b. “Treasury”, if the Treasury is the recipient of the payment with electronic money,
 - c. “Armenian Water and Sewerage”, “ArmRusGasProm” or “Electric Networks of Armenia”, if the “Armenian Water and Sewerage”, “ArmRusGasProm” or “Electric Networks of Armenia” is the recipient of the payment with electronic money, respectively,
 - d. “VivaCell” MTS, “Beeline”, “Orange Armenia”, “Rostelecom” or “UCom”, if “VivaCell” MTS, “Beeline”, “Orange Armenia”, “Rostelecom” or “UCom” telecommunication operators is the recipient of the payment with electronic money, respectively,
 - e. “WebMoney” or “Yandex Money”, if “WebMoney” or “Yandex Money” foreign electronic money system is the recipient of the payment with electronic money,
 - f. “User”, if another User, registered in the System, is the recipient of the transfer, performed with electronic money,

- g. “Financial organizations, operating within the territory of the Republic of Armenia”, moreover “Commercial banks”, “Insurance companies”, “Credit organizations” or “Payment-settlement organization” should be chosen from the list, respectively, if a bank or an insurance company or a credit organization or a payment-settlement organization is the recipient of the payment with electronic money, respectively,
- h. “Other”, if the recipient of the payment with electronic money is not an organization, mentioned in the abovementioned list.

42. In the fourth table of the statement, “On Registration accounts, kept by the Issuer”, the data is being filled about the funds, available at the Recording accounts, opened by the Issuer, and the number of accounts by the moment of the reporting month. Moreover:

- 1) In the “Organizations/Participants” column, information about the Recording accounts, registered in the System, is being presented. The followings are being filled:
 - a. “Service provider”, if the Registration account has been opened for the Service provider,
 - b. “Convertor”, if the Registration account has been opened for the Convertor,
 - c. “User – natural person”, if the Registration account has been opened for the User, which is a natural person,
 - d. “User – legal person”, if the Registration account has been opened for the User, which is a legal person or a sole entrepreneur,
 - e. “Other e-money system”, if the Registration account has been opened for another e-money system,
 - f. “Agent”, if the Registration account has been opened for the Agent,
 - g. “Distributor”, if the Registration account has been opened for the Distributor.
- 2) In the “Status of the Registration account” column, information about the status of the Registration accounts, registered in the System, is being presented. The followings are being filled:
 - a. “Active”, if at least one transaction has been performed with the Registration account, registered in the System, during the last one year,
 - b. “Passive”, if no transaction has been performed with the Registration account, registered in the System, during the last one year.

43. In the fifth table of the statement, “On Registration accounts, opened or closed by the Issuer”, the data is being filled about the number of Registration accounts, opened or closed by the Issuer during the reporting month. Moreover:

- 1) In the “Organizations/Participants” column, information about the Recording accounts, opened or closed in the System, is being presented. The followings are being filled:
 - a. “Service provider”, if the Registration account has been opened or closed for the Service provider,
 - b. “Convertor”, if the Registration account has been opened or closed for the Convertor,
 - c. “User – natural person”, if the Registration account has been opened or closed for the User, which is a natural person,
 - d. “User – legal person”, if the Registration account has been opened or closed for the User, which is a legal person or a sole entrepreneur,
 - e. “Other e-money system”, if the Registration account has been opened or closed for another e-money system,
 - f. “Agent”, if the Registration account has been opened or closed for the Agent,
 - g. “Distributor”, if the Registration account has been opened or closed for the Distributor.
- 2) In the “Status of the Registration account” column, information about the status of the Registration accounts, registered in the System, is being presented. The followings are being filled:
 - a. “Opened”, if the Registration account has been opened during the reporting month,
 - b. “Closed”, if the Registration account has been closed during the reporting month.

Appendix 1
of Regulation 16.02 on
“Procedure and conditions of issuance and servicing
(circulation) of electronic money, the requirements
on performing operations with electronic money”

THE LIST OF EXEMPTED SERVICES

1. This Regulation does not apply to those services, the provision of which is being performed by prepaid money funds and which can be used only in a limited network, which is a one-organization spread network (for example, cards for use in public transport, petroleum cards, shopping cards, membership cards).
2. This Regulation does not apply to those prepaid values (air time), which are used to purchase digital products or services and which can be provided exclusively by mobile operators, if:
 - 1) it can be seen from the nature of the given good (service), that the mobile operator increases its value as a result of providing services of accessibility, search or distribution, and
 - 2) the given good (service) can be used solely through a digital device (for example, mobile phone, planner or other similar device), and the mobile operator is not an exclusive intermediary between the subscriber and the service provider and provides the digital good or service to the subscriber against the respective prepaid value.

**Statement
on issued electronic money, charging cards, servicing and repayment of electronic money**

Form 11 (monthly)

Name of the organization _____

Date _____

1. On issued and repaid electronic money

| Type of electronic money | Form of electronic money | Serviced by | Type of operation | Recording accounts | Method of charging or repayment | Sum (thousand AMD) | Amount |
|--------------------------|--------------------------|-------------|-------------------|-----------------------|---------------------------------|--------------------|--------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| Electronic purse | One-time-used | Issuer | Charging | Service provider | Cash funds | | |
| Virtual money | Rechargeable | Agent | Repayment | User – natural person | Banking accounts | | |
| | | Distributor | Sale | User – legal person | Payment cards | | |
| | | | | Convertor | Via terminal | | |
| | | | | | Via other e-money | | |
| | | | | | By a charging card | | |
| | | | | | Via another device | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |

Head of executive board of the Issuer
(executive director)

Seal

Chief accountant

2. On printed, sold or repurchased charging cards, by nominal value

| Charging cards by nominal value | By whom | Operation | Sum (thousand AMD) | Amount |
|----------------------------------------|----------------|------------------|---------------------------|---------------|
| 1 | 2 | 3 | 4 | 5 |
| From 1000 to 5000 | Issuer | Printed | | |
| From 5000 to 10000 | Agent | Sold | | |
| From 10000 to 20000 | Distributor | Repurchased | | |
| 20000 and more | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

Head of executive board of the Issuer
(executive director)

Seal

Chief accountant

3. On operations with electronic money

| Type of electronic money | Form of electronic money | Type of operation | Type of service | Beneficiary of the payment | Sum (thousand AMD) | Amount |
|--------------------------|--------------------------|--------------------------|----------------------------------------------------------------|------------------------------------------------------------------------------------|--------------------|--------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| Electronic purse | One-time-used | Payment | Purchase of goods | Service provider | | |
| Virtual money | Rechargeable | Conversion via Convertor | Utilities | Treasury | | |
| | | Conversion | MTPL | Armenian Water and Sewerage | | |
| | | Transfer | Insurance | ArmRusGasProm | | |
| | | | Taxes | Electric Networks of Armenia | | |
| | | | Duties | “VivaCell” MTS | | |
| | | | Penalties | “Beeline” | | |
| | | | Repayment of a loan | “K-Telecom” | | |
| | | | Purchase of other electronic money | “Orange Armenia” | | |
| | | | Sale of other electronic money | “Rostelecom” | | |
| | | | Transfer from a Registration account to a Registration account | Financial organizations, operating within the territory of the Republic of Armenia | | |
| | | | Other | “WebMoney” | | |
| | | | | “Yandex Money” | | |
| | | | | “UCom” | | |
| | | | | User | | |
| | | | | Other | | |
| | | | | | | |

Head of executive board of the Issuer
(executive director)

Seal

Chief accountant

4. On Registration accounts, kept by the Issuer

| Organizations/Participants | Status of the Registration account | Sum (thousand AMD) | Amount |
|-----------------------------------|-------------------------------------------|---------------------------|---------------|
| 1 | 2 | 3 | 4 |
| Service provider | Active | | |
| Convertor | Passive | | |
| User – legal person | | | |
| User – natural person | | | |
| Other e-money system | | | |
| Agent | | | |
| Distributor | | | |
| | | | |
| | | | |

Head of executive board of the Issuer
(executive director)

Seal

Chief accountant

5. On Registration accounts, opened or closed by the Issuer

| Organizations/Participants | Status of the Registration account | Amount |
|----------------------------|------------------------------------|--------|
| 1 | 2 | 3 |
| Service provider | Opened | |
| Convertor | Closed | |
| User – legal person | | |
| User – natural person | | |
| Other e-money system | | |
| Agent | | |
| Distributor | | |
| | | |
| | | |
| | | |

Head of executive board of the Issuer
(executive director)

Seal

Chief accountant
