

PROCEDURE
FOR BANKS TO FILE REPORTS ON TRANSACTIONS SUBJECT TO MANDATORY
REPORTING AND ON SUSPICIOUS TRANSACTIONS OR BUSINESS RELATIONSHIPS

CHAPTER 1: GENERAL PROVISIONS

1. The Procedure for Banks to File Reports on Transactions Subject to Mandatory Reporting and on Suspicious Transactions or Business Relationships (hereinafter referred to as the Procedure) defines the rules and deadlines for banks (hereinafter referred to also as the reporting entities) to file reports stipulated by the Republic of Armenia Law on Combating Money Laundering and Terrorism Financing” (hereinafter referred to as the Law).
2. The concepts in this Procedure shall be used in the same meaning as defined by the Law.
3. Reports shall be filed by the banks registered in the Financial Monitoring Center of the Central Bank of the Republic of Armenia (hereinafter referred to as the Financial Monitoring Center) in the cases stipulated by Part 2 and Part 3(1) of Article 6 of the Law.

CHAPTER 2: EXCEPTIONS FROM THE OBLIGATION TO FILE REPORTS ON
TRANSACTIONS SUBJECT TO MANDATORY REPORTING

4. The following cases and transactions shall be excepted from the obligation to file reports on transactions subject to mandatory reporting:
 - 1) Payments made to and from the consolidated budget of the Republic of Armenia;
 - 2) Purchases of the Republic of Armenia treasury bonds or bonds issued by the Central Bank of the Republic of Armenia in the primary market;
 - 3) Transactions between financial institutions of the Republic of Armenia conducted at their own expense and on their own behalf;
 - 4) Transactions on which the reporting entity has provided information to the credit register of the Central Bank of the Republic of Armenia;
 - 5) Transactions conducted by the reporting entity for its own needs to support on-going operations, except for the purchases of financial assets from its customers;
 - 6) Transactions in which the reporting entity acts as an insurance agent.

CHAPTER 3: PROCEDURE FOR FILING REPORTS

5. Reports on transactions subject to mandatory reporting and on suspicious transactions or business relationships shall be filed with the Financial Monitoring Center through its online reporting system (hereinafter referred to as the Online System) and, where this is not possible,

through the CBA-Net system, pursuant to the Procedure for Applying the Electronic Digital Signature in Filing Reports to the Central Bank of the Republic of Armenia as Stipulated by the Law and Other Legal Acts through the Website of the Central Bank of the Republic of Armenia, approved by the Decision of the Board of the Central Bank of the Republic of Armenia No. 81-N of 20 March, 2007.

6. The report shall be considered to be filed unless the reporting entity receives an error message within one business day. In case of receiving an error message, the reporting entity shall file the corrected version of the report within one business day. In this case, the filing of the report shall not be considered overdue.

7. Where the reporting entity finds out that the report on the transaction filed with the Financial Monitoring Center was not subject to mandatory reporting, it shall notify the Financial Monitoring Center in writing.

8. The report shall be completed in Armenian, in "Unicode" font, in capital letters, without quotation marks. The fields "Name"/ "Title", "Surname", "Patronymic" shall be filled in English, when the required information is available to the reporting entity only in English. If the mentioned data is available in another foreign language, these fields shall be completed in Armenian or in English.

9. The report to be filed should meet the requirements to the Reporting Form set out in Annex 2, as well as to the digitized tables for XML scheme generation. Any filed report that does not meet these requirements shall be considered incompletely or incorrectly filled in, which shall result in liability under the Law.

10. A separate report shall be filed on each transaction subject to mandatory reporting and on each suspicious transaction or business relationship.

CHAPTER 4: REPORTING DEADLINES

11. Reports on transactions subject to mandatory reporting shall be filed with the Financial Monitoring Center immediately after the transaction is conducted, through the "Web Service Input" option of the Online System, except for incoming international transfers, in which case the report shall be filed by 12:00 of the next business day of conducting the transaction. Where filing the report via the "Web Service Input" option of the Online System is not possible, the report shall be filed through the "Online Amendment", "Upload" options of the Online System or, where this is not possible as well, through the CBA-Net system by 18:00, i.e. the end of the next business day of conducting the transaction.

12. Reports on suspicious transactions or business relationships shall be filed with the Financial Monitoring Center during the same business day or, where this is not possible, by 12:00 of the next business day of conducting the transaction.

13. The moment of conducting transaction shall be:

1) In case of transfers – the moment when the customer's account is debited according to the order given by the customer (transfer through account opened in the bank), or the moment when the customer pays the actual amount and gives the transfer order (non-account transfer), regardless of whether or not the transfer has been carried out at the moment;

- 2) In case of receipts – the moment when the customer's account is credited, if the recipient is the customer of the bank (receipt through account opened in the bank), or the day when the customer comes to receive the funds, if the customer does not have a bank account (non-account receipt);
- 3) In other cases – the moment when the respective rights and obligations emerge.
14. If the reporting entity returns the received amount to the correspondent bank within five days from the moment of receipt, the reports on receipt and return transactions shall be filed with the Financial Monitoring Center within the deadlines provided for in Clause 11 of the Procedure.
15. If the reporting entity does not credit the received amount to the customer's account within five days from the moment of receipt, a report on the transaction shall be filed with the Financial Monitoring Center within the deadlines provided for in Clause 11 of the Procedure.
16. If the reporting entity returns the received amount to the correspondent bank after filing a report to the Financial Monitoring Center as stipulated in Clause 15 of the Procedure, a report on the transaction shall be filed with the Financial Monitoring Center within the deadline provided for in Clause 11 of the Procedure.
17. If the reporting entity credits the received amount to the customer's account after filing a report to the Financial Monitoring Center as stipulated in Clause 15 of the Procedure, a correcting or amending report on the transaction shall be filed with the Financial Monitoring Center within the deadline provided for in Clause 11 of the Procedure.
18. Impossibility of filing reports on transactions subject to mandatory reporting and on suspicious transactions or business relationships may be due solely to software or hardware problems related to the filing through the “Web Service Input” option of the Online System.