

Approved by
ARMECONOMBANK OJSC Board's
Resolution No 27/14-28.08.2015
Come into force on 10.09.2015
Chairman of the Baord
.....S. Sukiasyan
Copy N 2

**PROCEDURE
OF ARMECONOMBANK OJSC ON PAYMENT OF DIVIDENDS BASED ON ANNUAL
RESULTS**

YEREVAN 2015

HISTORY ON DOCUMENT AMENDMENTS			
N/N	Date of Resolution/ Order	Number of Resolution/Order	Document Identifier
1	22.09.2014	34/02-22.09.2014	R/K/0/105/22.09.2014/1
2	28.08.2015	27/14-28.08.2015	R/K/0/105/28.08.2015/2

1. GENERAL PROVISIONS

1.1 This procedure establishes the order of calculating and paying dividends (hereinafter the Procedure) in ARMECONOMBANK.

1.2 This Procedure has been composed in compliance with the requirements of Armenian Law and the Bank's internal legal acts.

1.3 By this procedure;

1.3.1 Identification Document:

1.3.1.1 RA citizen's passport, identification card, military book, temporary passport given by the RA Police under the RA Government, also a birth certificate in case of teenagers up to 16 years old;

1.3.1.2 Identification document for refuge applicants, passport for refuge applicants, conversion travelling document for refugees;

1.3.1.3 A foreign passport in case of foreign citizens and the ones who do not have citizenship, identification documents which are internationally recognized, RA special passport, condition card.

1.3.2 **Accountholder-shareholder** - shareholder owning an account in the Bank (including card account) which submitted to the Bank through accounting dividends on the account for getting application- instruction directed to the regulating deputy CEO.

1.3.3 **Non accountholder – shareholder** – the rest of shareholders not mentioned in point 1.3.2 of this procedure.

1.4 The pay dividends based on the annual results.

1.5 The size, order and period of dividend payment are established by resolution of Annual Meeting submitted by the Bank's Board.

1.6 The shareholders included in the list of participants of the Annual General Meeting have the right to receive dividends from the Head Office and branches (per registration place).

1.7 The general list of those having the right to receive dividends is approved by the Board during the meeting convened on the day of the Annual Meeting.

1.8 The lists (per branches and Head Office) drafted from the register program under the list approved by the Board are confirmed by the CEO and are extended per this Procedure.

1.9 The dividends are calculated towards the nominal value of shares and are paid from the net (accumulated) profit of the Bank.

1.10 The process of calculation of dividends, drafting of the necessary lists, their submission to branches and Customer Service Central Office (hereinafter CSCO) is carried out by the subdivision responsible for maintaining the Bank's register - Loan-Deposit division of CSCO through STOCKS software (register software).

- 1.11 Before drafting the list of participants having right to participate in the Bank's general annual meeting based on the data of register, the employee of loan-deposit division of CSCO checks the compliance data of register as of the date of drafting the list of participants having right to participate in the Bank's general annual meeting to the data of reference received from account-operator and in case of necessity makes relevant corrections.
- 1.12 Based on application- instruction (signed by regulating deputy CEO) received from the shareholders set by point 1.3.2 of this procedure and before drafting the lists set 2.1 of this procedure the employee of loan-deposit division of CSCO inputs the relevant account numbers of shareholders to register.

2. THE ORDER OF CALCULATION OF DIVIDENDS

- 2.1 After the Meeting within 10 days period, the following lists of dividend payment drafted from the Shareholders' register program under the list approved by the Board are composed
- 2.1.1 per resident and non resident shareholders where the size of dividend calculated with one figure and the number of shares are included.
 - 2.1.2 per non resident where the name of shareholders, the number of shares and size of dividends are included.
 - 2.1.3 per branches (CSCO in the Head office) as of consolidated and classified in accordance with points 1.3.2 – 1.3.3 as accountholder and non accountholder shareholders where the size of the calculated dividend and the number of shares are mentioned in one figure .
 - 2.1.4 per branches (CSCO in the Head Office) classified in accordance with points 1.3.2 – 1.3.3 as accountholder and non accountholder shareholders where:
 - 2.1.4.1 in case of accountholders shareholders the name, address, ID/ state register data, as well as the account number to which the dividends account will be accounted, stake , dividend size, dividend payment date are mentioned.
 - 2.1.4.2 in case of non-accountholder shareholders the name, address, ID/state register data of shareholder as well as account number to which dividend account will be accounted, stake, dividend size, shareholder's signature, dividend payment date are mentioned.
- 2.2 The hard copies of the lists included in 2.1.1-2.1.4 paragraphs of this Procedure are delivered to the CEO and Chief Accountant to be signed after the Meeting within 15 days period based on the report of the loan- deposit division of CSCO, after which
- 2.2.1 The lists included in 2.1.2-2.1.2 paragraphs of this Procedure are extended to and kept in the subdivision of Accounting Department (hereinafter Accounting) and serve as a ground for the accounting documentation.
 - 2.2.2 The lists of accountholder - shareholders included in 2.1.4 of this Procedure are sent to the Customer Service division of CSCO in hard copy and by the loan- deposit division of CSCO.
 - 2.2.3 The lists of non accountholder - shareholders included in 2.1.4 paragraphs of this Procedure are sent to the Customer Service division of CSCO and bank's branches in

hard copy and by loan- deposit division of CSCO.

3. THE ORDER OF PAYMENT

3.1 Based on the approved lists of paragraph 2.1.4, as of the previous working day of dividend payment, the Accounting Department transfers the amount of dividends in one figure from Bank's net profit to the account Subject to Payment per branches (in case of CSCO- per accountholder - shareholders and non accountholder - shareholders).

3.2 Branches (CSCO in head office) carry out the payment of dividends from the day of dividend payment approved by the Meeting based on the received lists (according to 2.2.2 paragraph).

3.3 Based on the lists included in 2.1.4 paragraph of this Procedure the employee of Customer Service Division of CSCO accounts (transfers) the dividends to the Bank's accountholder- shareholders on the accounts mentioned in the lists.

3.4 For the purpose of receiving dividends the non accountholder - shareholders in established order submit the following:

3.4 .1 in case of Individual, either identification document, or notarized power of attorney, or documents substantiating the heritage(Notary, a will, ect.),

3.4.2 in case of legal entity, either a copy of state registry, or a statement given by the United state register (the mentioned documents may not be requested, if the Bank received the information through electronic format in established order), a written instruction on transferring dividends on the account signed and sealed by the authorized body. In case of legal successor ship, all the substantiating documents required by the law shall be submitted(the copies are attached to the lists).

3.5 Non resident (non accountholder - shareholders) shareholders shall be informed about dividends receivable by loan- deposit division of CSCO within 15 days after the Meeting in written, and manage their dividends based on the written order issued.

4. OTHER PROVISIONS

4.1 The unpaid dividends amounts are kept on the accounts Subject to Payment in branches and CSCO until the shareholder visits the Head Office (branches).

4.2 The originals of signed lists of dividends with documents attached are kept in the branch (CSCO).

