

The Law of RA “On Banks and Banking activity”

Article 43. Information and Publication

1. Banks shall publish constantly on their home page on Internet the information, as follows:

- a. the financial statements of the bank (at least the last annual report and the last quarterly statement) and the copy of internal audit report on their statements. Furthermore, the banks also publish their financial statements in press on term set forth in Article 59 of this Law, as well as publish in leaflets or in other available forms for general public (in head office, branches and representations);
- b. the announcement of convening the annual general meeting on term specified by law. Furthermore, banks shall publish the announcement on convening the annual general meeting also in press;
- c. the copies of decisions about payment of dividends, as well as copies of normative regulations determining the bank’s dividend policy if available;
- d. the information about participants holding significant participation in the bank, i.e. their name, the size of their participation (except for those participants holding indirect significant participation in the bank that do not hold participation in the Bank’s statutory fund, i.e. shares, equity or stakes), data on loans and other borrowings provided to them and to the related parties (including the repaid) during the previous year, including the amount, interest rate and maturity;
- e. the list of board members, members of executive body and their personal data, i.e. Name, date of birth, biography, amount of remuneration paid to bank’s board members, executive director and chief accountant for the previous year by the bank (including bonuses, payment for certain work executed for the bank, salary equal payments), data on loans and other borrowings provided to them and to the related parties (including the repaid), including the amount, interest rate and maturity.

Except for data specified in sub-points (a)-(e) of this point the Central Bank can require of the bank to publish on the bank’s home page on Internet, in press or other mass media other information according to periodicity and the procedure determined by the Board of the Central Bank, except for commercial, banking or other secret information. This explanation does not apply to information, specified in part 4 of Article 6 of the RA law “On Bank secrecy”.

Banks shall publish changes in data specified in sub-point (a)-(e) of this point within 10 days after their origination. Banks shall also publish on their home page on Internet their financial statements, in leaflets or in other available forms for general public (in head office, branches and representations) updated on daily basis information about acceptance of deposits, provision of loans, as well as about rendering of other services and carrying out financial operation for their customers, including interest rates, commissions, maturity and other essential terms.

2. Upon request of any party the bank shall be bound to provide also:

- a. copy of state registration certificate and copy of the bank’s charter;
- b. copy of announcement about shares issuing - in case of public subscription of shares;
- c. data according to the rules and procedure determined by the Armenian Law on *Regulation of the Securities Market* and other normative regulations based on it - in case of public allocation of shares and other securities issued by bank;
- d. data and copies of documents set forth in point 1 of this Article.

The payment for provision of data hereinabove shall not be more than the actual expenses for data origination and/or posting.

In the head office of the bank, branch or representations the bank shall duly display the announcement about availability of information set forth herewith, and about the procedure, place and time of receiving of information.

3. The Board of the Central Bank can determine the procedure of publication (provision) of data specified in point 1 and 2 of this Article.

4. Each participant of the bank has the right to receive the latest annual report of the bank and the copy of auditor’s report free of charge.

On request of any participant (participants) holding 2 and more percent of the bank allocated voting shares (equity, stakes) the bank provide the information free of charge (even if it comprises bank, commercial or other secret) as follows:

- a. information about the board of the bank, executive director and chief accountant as set forth in point 5 of this Article;
- b. the amount of remuneration paid to bank’s board members, executive director and chief accountant for the previous year by the bank (including bonuses, payment for certain work executed for the bank, salary equal payments); data on loans and other borrowings provided to them and to the related parties (including the repaid), including the amount, interest rate and maturity; information about participants holding significant participation in the bank, i.e. their name, the size of their participation (except for those participants holding indirect significant participation in the bank that do not hold participation in the bank’s statutory fund, i.e. shares, equity or stakes), data on loans and other borrowings provided to them and to the related parties (including the repaid) during the previous year, including the amount, interest rate and maturity;
- c. information about major transactions signed between the bank and bank related parties, as well as about those transactions that have been signed within two years before presenting the request for getting that information and are related to execution of any of the operations set forth in sub-points (a)-(c), (i), (j) and (k) of point 1 of Article 34 of this Law;

- d. obligations assumed by the bank to its related party;
- e. information about availability of contracts aimed at creation of groups of bank participants executing the same policy, as well as the names of bank participants as the party of those contracts;
- f. copies of documents certifying the bank's rights of property reflected in the bank's balance sheet, internal acts adopted by general meeting and other management bodies, charters of separated subdivisions and offices, financial and statistical reports that bank renders to public management bodies, minutes of sessions of general meeting, board and directorate, copies of inspection reports carried out by the Central Bank, copies of decisions of the Central Bank about sanctions to the bank and/or bank's manager imposed by the Central Bank, copies of internal audit reports presented to the board and executive director (directorate);
- g. list of legal entities in statutory fund of which the bank managers or related parties hold 20 and more percent of participation or have probability to influence their decisions.

The minutes of the returning board shall be provided to all bank participants. According to this Article information received by the participant cannot be transferred to other parties, as well as it cannot be used for the purpose of discrediting bank's business reputation, for infringement of rights and legal interests of bank participants and customers, or for other similar purposes. Otherwise they bear responsibility according to Armenian laws and other normative regulations.

5. Information about board members, executive director, chief accountant, as well as about candidates for board members provided to bank participants shall also include:

- a. their surnames, names, year month, day of birth;
- b. profession and education;
- c. positions held during last 10 years;
- d. year, month, day of designation (election) and year, month, day of relieve of his position;
- e. number of reelections in the same position;
- f. number of voting shares (equity, stakes) held by as board member, executive director, chief accountant or candidate for board member that are bank participants;
- g. information about legal entities where the given person holds executive position;
- h. type of interrelations between the given bank and bank related parties;
- i. other data envisaged by bank charter.

6. Banks have no rights to use disorienting data in their advertisements, public offers, or in any announcement on their behalf, or use the announcements of other parties about the bank that can cause misunderstanding of the financial state of the given bank, its position in the financial market, business reputation and its real status.

7. Information published or provided by bank according to this Article shall be complete and accurate.

8. The Central Bank shall collect quarterly information, published by banks about deposits with them, extended loans, as well as other services provided by them, and publish it without any changes - by banks for each quarter.

(Article 43 is amended according to AL-253, 23.10.01; AL-227-N, 15.11.05, LA-113-S, 04.04.07)