

STATEMENT

ARMECONOMBANK OJSC Board meetings in January 2019 As discussed and noted

during January 2019 meetings:

1. ARMECONOMBANK OJSC Executive Board performance report for 2nd quarter 2018 by CEO (Chairman of the Executive Board)
2. ARMECONOMBANK OJSC 4th quarter 2018 budget performance report by CEO (Chairman of the Executive Board)
3. ARMECONOMBANK OJSC Chief Accountant's report on activities in 4th quarter 2018
4. ARMECONOMBANK OJSC Ombudsman's report on activities in 4th quarter 2018
5. Performance Report for Loan Monitoring Division's activities in 4th quarter 2018 by the Head of ARMECONOMBANK OJSC Loan Monitoring and Problem Assets Recovery Department.
6. Performance Report for ARMECONOMBANK OJSC Internal Audit Department for 4th quarter 2018 by the Head of Internal Audit Department
7. Performance Report for ARMECONOMBANK OJSC Internal Observations Division for 4th quarter 2018 by the Head of Internal Observations Division.
8. Performance Report for 2018 Plan of Operations of ARMECONOMBANK OJSC Internal Observations Division.
9. Performance Report for the accounting year by the Head of ARMECONOMBANK OJSC Strategy and Risk Management Department.
10. Performance Report for 2018 Plan of Operations of ARMECONOMBANK OJSC Internal Audit Department by the Head of Internal Audit Department.

The following internal regulatory documents were discussed and approved:

1. ARMECONOMBANK OJSC Risk Management Policy
2. Procedure for Development of ARMECONOMBANK OJSC Internal Regulatory Documents
3. Procedure for ARMECONOMBANK OJSC Information Policy
4. Procedure for ARMECONOMBANK OJSC Operating Risk Management
5. Procedure for Transactions in ARMECONOMBANK OJSC Securities by Management, Other Employees, and Significant Participants
6. Procedure for Opening, Maintaining, and Closing ARMECONOMBANK OJSC Correspondent Accounts
7. Plan of Actions for Continuity of ARMECONOMBANK OJSC Business Processes in the Event of Natural and Other Disasters or War

8. ARMECONOMBANK OJSC Investment Policy
9. Procedure for Providing Investment and Non-Core Services in ARMECONOMBANK OJSC
10. Procedure for ARMECONOMBANK OJSC Operations with Securities
11. Procedure for Protection from Malicious Codes and Use of Dynamic Codes in ARMECONOMBANK OJSC
12. ARMECONOMBANK OJSC Clear Desk and Clear Screen Policy
13. Procedure for Use and Disposal of Data Carriers in ARMECONOMBANK OJSC
14. Procedure for Classification and Management of ARMECONOMBANK OJSC Information
15. Procedure for Monitoring and Logging of ARMECONOMBANK OJSC Information Systems
16. Procedure for ARMECONOMBANK OJSC Code of Conduct
17. Procedure for Storage and Use of ARMECONOMBANK OJSC Employees' Personal Data
18. Procedure for ARMECONOMBANK OJSC Motivation and Penalties
19. Regulation-Job Description of ARMECONOMBANK OJSC Strategy and Risk Management Department

STATEMENT

ARMECONOMBANK OJSC Board preliminary meetings in January 2019

During January 2019 preliminary meetings, the following internal regulatory documents subject to Board approval were discussed:

1. ARMECONOMBANK OJSC Risk Management Policy
2. Procedure for Development of ARMECONOMBANK OJSC Internal Regulatory Documents
3. Procedure for ARMECONOMBANK OJSC Information Policy
4. Procedure for ARMECONOMBANK OJSC Operating Risk Management
5. Procedure for Transactions in ARMECONOMBANK OJSC Securities by Management, Other Employees, and Significant Participants
6. Procedure for Opening, Maintaining, and Closing ARMECONOMBANK OJSC Correspondent Accounts
7. Plan of Actions for Continuity of ARMECONOMBANK OJSC Business Processes in the Event of Natural and Other Disasters or War
8. ARMECONOMBANK OJSC Investment Policy
9. Procedure for Providing Investment and Non-Core Services in ARMECONOMBANK OJSC
10. Procedure for ARMECONOMBANK OJSC Operations with Securities
11. Procedure for Protection from Malicious Codes and Use of Dynamic Codes in ARMECONOMBANK OJSC
12. ARMECONOMBANK OJSC Clear Desk and Clear Screen Policy
13. Procedure for Use and Disposal of Data Carriers in ARMECONOMBANK OJSC
14. Procedure for Classification and Management of ARMECONOMBANK OJSC Information
15. Procedure for Monitoring and Logging of ARMECONOMBANK OJSC Information Systems
16. Procedure for ARMECONOMBANK OJSC Code of Conduct
17. Procedure for Storage and Use of ARMECONOMBANK OJSC Employees' Personal Data
18. Procedure for ARMECONOMBANK OJSC Motivation and Penalties
19. Regulation-Job Description of ARMECONOMBANK OJSC Strategy and Risk Management Department

The Head of Internal Audit Department communicated the activities of the Department for the reporting month.

Also, other matters related to the normal operation of the Bank were discussed.

STATEMENT

ARMECONOMBANK OJSC Board meetings in February 2019

During February 2019 meetings, the following internal regulatory documents governing the normal operation of the Bank were discussed and approved:

1. Regulation-Job Description of ARMECONOMBANK OJSC Information Security Division
2. ARMECONOMBANK OJSC SEVAN Branch Charter
3. ARMECONOMBANK OJSC 2019-2021 Prospective Development Plan
4. Procedure for ARMECONOMBANK OJSC Currency Risk Assessment
5. Regulation of ARMECONOMBANK OJSC Executive Board
6. Procedure for Management of Vulnerabilities in ARMECONOMBANK OJSC Information Security System
7. Procedure for Operations in Internet and Use of Corporate Email in ARMECONOMBANK OJSC
8. Procedure for Backup (Archiving) of ARMECONOMBANK OJSC Information Systems and Information
9. Policy for Execution of ARMECONOMBANK OJSC Civil Law Contracts
10. Procedure for Admittance, Consideration, and Resolution of ARMECONOMBANK OJSC Customers' Applications and Complaints
11. Policy of Protection of ARMECONOMBANK OJSC Intellectual Property Rights
12. Regulation-Job Description of ARMECONOMBANK OJSC Branch Management Department.
13. Regulation-Job Description of ARMECONOMBANK OJSC Compliance Officer
14. Procedure for ARMECONOMBANK OJSC Paperwork, Written Communications, and Document Circulation
15. Procedure for Payment of Salaries and Other Remunerations through ARMECONOMBANK OJSC Plastic Cards
16. Procedure for Selection of Independent Auditor Institution by ARMECONOMBANK OJSC
17. Procedure for ARMECONOMBANK OJSC Property Sale Tenders
18. Procedure for Operations via S.W.I.F.T Telecommunication System in ARMECONOMBANK OJSC.
19. Procedure for Providing ARMECONOMBANK OJSC Loans
20. Regulation-Job Description of ARMECONOMBANK OJSC Customer Support Center
21. Procedure for Providing ARMECONOMBANK OJSC Unsecured loans to Individuals.
22. Procedure for Providing ARMECONOMBANK OJSC Mortgage Loans

Procedure for Collection of Payments for Utility Bills and Other Services from Retail and Corporate Subscribers in ARMECONOMBANK OJSC was annuled.

STATEMENT

ARMECONOMBANK OJSC Board preliminary meetings in February 2019

During February 2019 preliminary meetings, the following internal regulatory documents subject to Board approval were discussed:

1. Procedure for ARMECONOMBANK OJSC Currency Risk Assessment
2. Regulation of ARMECONOMBANK OJSC Executive Board
3. Procedure for Management of Vulnerabilities in ARMECONOMBANK OJSC Information Security System
4. Procedure for Operations in Internet and Use of Corporate Email in ARMECONOMBANK OJSC
5. Procedure for Backup (Archiving) of ARMECONOMBANK OJSC Information Systems and Information
6. Policy for Execution of ARMECONOMBANK OJSC Civil Law Contracts
7. Procedure for Admittance, Consideration, and Resolution of ARMECONOMBANK OJSC Customers' Applications and Complaints
8. Policy of Protection of ARMECONOMBANK OJSC Intellectual Property Rights
9. Regulation-Job Description of ARMECONOMBANK OJSC Branch Management Department.
10. Regulation-Job Description of ARMECONOMBANK OJSC Compliance Officer
11. Procedure for ARMECONOMBANK OJSC Paperwork, Written Communications, and Document Circulation
12. Procedure for Payment of Salaries and Other Remunerations through ARMECONOMBANK OJSC Plastic Cards
13. Procedure for Selection of Independent Auditor Institution by ARMECONOMBANK OJSC
14. Procedure for Collection of Payments for Utility Bills and Other Services from Retail and Corporate Subscribers in ARMECONOMBANK OJSC
15. Procedure for ARMECONOMBANK OJSC Property Sale Tenders
16. Procedure for Operations via S.W.I.F.T Telecommunication System in ARMECONOMBANK OJSC.
17. Procedure for Providing ARMECONOMBANK OJSC Loans
18. Regulation-Job Description of ARMECONOMBANK OJSC Customer Support Center
19. Procedure for Providing ARMECONOMBANK OJSC Unsecured loans to Individuals.
20. Procedure for Providing ARMECONOMBANK OJSC Mortgage Loans

The Head of Internal Audit Department communicated the activities of the Department for the reporting month.

Also, other matters related to the normal operation of the Bank were discussed.

STATEMENT

ARMECONOMBANK OJSC Board meetings in March 2019

During March 2019 meetings, the following internal regulatory documents governing the normal operation of the Bank were discussed and approved:

1. Policy of Storage and Management of ARMECONOMBANK OJSC Passwords, Keys, and Electronic Verification Files
2. ARMECONOMBANK OJSC Advertising Policy
3. Procedure for Providing Means of Transportation and Communication in ARMECONOMBANK OJSC
4. Regulation-Job Description of ARMECONOMBANK OJSC Premises Management
5. Procedure for Purchase and Management of Fixed Assets, Supplies, and Services, and Write-off and Sale of Fixed Assets and Supplies in ARMECONOMBANK OJSC
6. Procedure for Providing Petty Cash in ARMECONOMBANK OJSC
7. Regulation-Job Description of ARMECONOMBANK OJSC Cash Flows Management Division
8. ARMECONOMBANK OJSC Lending Policy
9. Procedure for Providing ARMECONOMBANK OJSC “Easy” and “Easy+” Loans
10. Procedure for Providing ARMECONOMBANK OJSC “Diminishing Easy” Loans
11. Procedure for Providing ARMECONOMBANK OJSC Loans (Guarantees) Secured by Cash, and Guarantees Against Other Collateral
12. Procedure for Providing ARMECONOMBANK OJSC Loans for Purchase of Standardized Gold Bars
13. Procedure for Providing ARMECONOMBANK OJSC Student Loans to Individuals
14. Procedure for Providing ARMECONOMBANK OJSC Home Micro Loans and “Solar” Loans
15. Procedure for Providing ARMECONOMBANK OJSC Loans for Purchase of Goods and Services
16. Procedure for Transactions with Parties Related to the Bank and Parties Interested in the Bank’s Transactions
17. Procedure for Issue of ARMECONOMBANK OJSC Documentary Letters of Credit and Bank Guarantees
18. Procedure for Confidential Document Circulation in ARMECONOMBANK OJSC
19. Procedure for ARMECONOMBANK OJSC Central Archive
20. Procedure for Opening and Servicing ARMECONOMBANK OJSC Social Package Accounts
21. Procedure for Providing ARMECONOMBANK OJSC Structural Units and Branches with Supplies and Withdrawal Thereof from Head Office Warehouse.
22. Procedure for Securing Liabilities on Collateral in ARMECONOMBANK OJSC
23. Regulation-Job Description of ARMECONOMBANK OJSC Marketing Division
24. ARMECONOMBANK OJSC Marketing Policy

Procedure for Providing ARMECONOMBANK OJSC Loans to Individuals for Purchase of Compulsory Motor Vehicle Liability Insurance and Providing ARMECONOMBANK OJSC SHOPPING Loans were annulled.

The report by ARMECONOMBANK OJSC Internal Audit Department on post-audit work and efficiency of the bank’s internal control system in 4th quarter 2018 was discussed and noted.

STATEMENT

ARMECONOMBANK OJSC Board preliminary meetings in March 2019

During March 2019 preliminary meetings, the following internal regulatory documents subject to Board approval were discussed:

1. Policy of Storage and Management of ARMECONOMBANK OJSC Passwords, Keys, and Electronic Verification Files
2. ARMECONOMBANK OJSC Advertising Policy
3. Procedure for Providing Means of Transportation and Communication in ARMECONOMBANK OJSC
4. Regulation-Job Description of ARMECONOMBANK OJSC Premises Management
5. Procedure for Purchase and Management of Fixed Assets, Supplies, and Services, and Write-off and Sale of Fixed Assets and Supplies in ARMECONOMBANK OJSC
6. Procedure for Providing Petty Cash in ARMECONOMBANK OJSC
7. Regulation-Job Description of ARMECONOMBANK OJSC Cash Flows Management Division
8. ARMECONOMBANK OJSC Lending Policy
9. Procedure for Providing ARMECONOMBANK OJSC “Easy” and “Easy+” Loans
10. Procedure for Providing ARMECONOMBANK OJSC “Diminishing Easy” Loans
11. Procedure for Providing ARMECONOMBANK OJSC Loans (Guarantees) Secured by Cash, and Guarantees Against Other Collateral
12. Procedure for Providing ARMECONOMBANK OJSC Loans for Purchase of Standardized Gold Bars
13. Procedure for Providing ARMECONOMBANK OJSC Student Loans to Individuals
14. Procedure for Providing ARMECONOMBANK OJSC Loans to Individuals for Purchase of Compulsory Motor Vehicle Liability Insurance
15. Procedure for Providing ARMECONOMBANK OJSC Home Micro Loans and “Solar” Loans
16. Procedure for Providing ARMECONOMBANK OJSC Loans for Purchase of Goods and Services
17. Procedure for Transactions with Parties Related to the Bank and Parties Interested in the Bank’s Transactions
18. Procedure for Providing ARMECONOMBANK OJSC ARMECONOMBANK OJSC SHOPPING Loans to Individuals
19. Procedure for Issue of ARMECONOMBANK OJSC Documentary Letters of Credit and Bank Guarantees
20. Procedure for Confidential Document Circulation in ARMECONOMBANK OJSC
21. Procedure for ARMECONOMBANK OJSC Central Archive
22. Procedure for Opening and Servicing ARMECONOMBANK OJSC Social Package Accounts
23. Procedure for Providing ARMECONOMBANK OJSC Structural Units and Branches with Supplies and Withdrawal Thereof from Head Office Warehouse
24. Procedure for Securing Liabilities on Collateral in ARMECONOMBANK OJSC
25. Regulation-Job Description of ARMECONOMBANK OJSC Marketing Division
26. ARMECONOMBANK OJSC Marketing Policy

The Head of Internal Audit Department communicated the activities of the Department for the reporting month.

Also, other matters related to the normal operation of the Bank were discussed.

STATEMENT
ARMECONOMBANK OJSC Board meetings in April 2019

As discussed and noted during April 2019 meetings:

1. ARMECONOMBANK OJSC Executive Board performance report for 1st quarter 2019 by CEO (Chairman of the Executive Board)
2. ARMECONOMBANK OJSC 1st quarter 2019 budget performance report by CEO (Chairman of the Executive Board,.
3. ARMECONOMBANK OJSC CFO-Chief Accountant's report on activities in 1st quarter 2019
4. ARMECONOMBANK OJSC Ombudsman's report on activities in 1st quarter 2019
5. Performance Report for Loan Monitoring Division's activities in 1st quarter 2019 by the Head of ARMECONOMBANK OJSC Loan Monitoring and Problem Assets Recovery Department.
6. Performance Report for ARMECONOMBANK OJSC Internal Audit Department for 1st quarter 2019 by the Head of Internal Audit Department
7. Performance Report for ARMECONOMBANK OJSC Internal Observations Division for 1st quarter 2019 by the of Internal Observations Division.

The following internal regulatory documents governing the normal operation of the Bank were discussed and approved:

1. Regulation-Job Description of ARMECONOMBANK OJSC NAIRI MEDICAL CENTER Branch.
2. Regulation-Job Description of ARMECONOMBANK OJSC Branches
3. Procedure for ARMECONOMBANK OJSC Information Security Arrangements
4. ARMECONOMBANK OJSC Information Security Policy
5. Procedure for Development, Operation and Maintenance of ARMECONOMBANK OJSC Information Systems
6. Policy for Transactions in ARMECONOMBANK OJSC Derivative Instruments
7. Procedure for Establishment of ARMECONOMBANK OJSC Risk Management Limits
8. Procedure for ARMECONOMBANK OJSC Credit Risk Management and Reduction was annulled.
9. Procedure for Collection, Service, and Troubleshooting of ARMECONOMBANK OJSC ATMs
10. Plan of Actions for Continuity of ARMECONOMBANK OJSC Business Processes in the Event of Theft, Robbery, and Terrorist Attack.
11. ARMECONOMBANK OJSC Risk Management Policy
12. Procedure for ARMECONOMBANK OJSC Reputation Risk Assessment
13. Procedure for Internal Processes of Assessment of ARMECONOMBANK OJSC Gross and Contamination Risks and Capital Adequacy
14. Regulation-Job Description of ARMECONOMBANK OJSC Information Technologies Department

The opinion of ARMECONOMBANK OJSC Internal Audit on compliance with the minimum requirements of internal control was discussed and noted.

STATEMENT

ARMECONOMBANK OJSC Board preliminary meetings in April 2019

During April 2019 preliminary meetings, the following internal regulatory documents subject to Board approval were discussed:

1. Regulation-Job Description of ARMECONOMBANK OJSC NAIRI MEDICAL CENTER Branch.
2. Regulation-Job Description of ARMECONOMBANK OJSC Branches
3. Procedure for ARMECONOMBANK OJSC Information Security Arrangements
4. ARMECONOMBANK OJSC Information Security Policy
5. Procedure for Development, Operation and Maintenance of ARMECONOMBANK OJSC Information Systems
6. Policy for Transactions in ARMECONOMBANK OJSC Derivative Instruments
7. Procedure for Establishment of ARMECONOMBANK OJSC Risk Management Limits
8. Procedure for ARMECONOMBANK OJSC Credit Risk Management and Reduction
9. Procedure for Collection, Service, and Troubleshooting of ARMECONOMBANK OJSC ATMs
10. Plan of Actions for Continuity of ARMECONOMBANK OJSC Business Processes in the Event of Theft, Robbery, and Terrorist Attack.
11. ARMECONOMBANK OJSC Risk Management Policy
12. Procedure for ARMECONOMBANK OJSC Reputation Risk Assessment
13. Procedure for Internal Processes of Assessment of ARMECONOMBANK OJSC Gross and Contamination Risks and Capital Adequacy

The Head of Internal Audit Department communicated the activities of the Department for the reporting month.

Also, other matters related to the normal operation of the Bank were discussed.

STATEMENT

ARMECONOMBANK OJSC Board meetings in May 2019

During May 2019 meetings, the following internal regulatory documents governing the normal operation of the Bank were discussed and /or approved:

1. Procedure for Preparation and Holding of ARMECONOMBANK OJSC General Meetings
2. Regulation of ARMECONOMBANK OJSC Board.
3. Charter of ARMECONOMBANK OJSC.
4. Procedure for Marking and Identification of ARMECONOMBANK OJSC Documents
5. Procedure for Operation, Testing, and Restoration of ARMECONOMBANK OJSC Main Servers
6. Procedure for Management of ARMECONOMBANK OJSC Firewalls
7. Procedure for Operations via ARMECONOMBANK OJSC Remote Workstation
8. Policy for Granting User Authorities in ARMECONOMBANK OJSC
9. Regulation-Job Description of ARMECONOMBANK OJSC Legal Department
10. Procedure for Foreign Currency, Attraction and Placement Operations in ARMECONOMBANK OJSC
11. Procedure for Intrabank Currency Conversions in ARMECONOMBANK OJSC
12. Plan of Technical Risk Reduction Actions and Recovery Operations in ARMECONOMBANK OJSC
13. List of Reports to ARMECONOMBANK OJSC Board, Executive Board/CEO
14. Regulation-Job Description of ARMECONOMBANK OJSC Internal Observations Division
15. Regulation-Job Description of ARMECONOMBANK OJSC Compliance Officer.

STATEMENT

ARMECONOMBANK OJSC Board preliminary meetings in May 2019

During May 2019 preliminary meetings, the following internal regulatory documents subject to Board approval were discussed:

1. Procedure for Marking and Identification of ARMECONOMBANK OJSC Documents
2. Procedure for Operation, Testing, and Restoration of ARMECONOMBANK OJSC Main Servers
3. Procedure for Management of ARMECONOMBANK OJSC Firewalls
4. Procedure for Operations via ARMECONOMBANK OJSC Remote Workstation
5. Policy for Granting User Authorities in ARMECONOMBANK OJSC
6. Regulation-Job Description of ARMECONOMBANK OJSC Legal Department
7. Procedure for Foreign Currency, Attraction and Placement Operations in ARMECONOMBANK OJSC
8. Procedure for Intra-bank Currency Conversions in ARMECONOMBANK OJSC
9. Plan of Technical Risk Reduction Actions and Recovery Operations in ARMECONOMBANK OJSC
10. List of Reports to ARMECONOMBANK OJSC Board, Executive Board/CEO
11. Regulation-Job Description of ARMECONOMBANK OJSC Internal Observations Division
12. Regulation-Job Description of ARMECONOMBANK OJSC Compliance Officer.

The Head of Internal Audit Department communicated the activities of the Department for the reporting month.

Also, other matters related to the normal operation of the Bank were discussed.

STATEMENT

ARMECONOMBANK OJSC Board meetings in June 2019

During June 2019 meetings, the following internal regulatory documents governing the normal operation of the Bank were discussed and approved:

1. Procedure for ARMECONOMBANK OJSC Board Operation Expenses
2. Plan of Actions for Continuity of ARMECONOMBANK OJSC Business Processes
3. Procedure for Servicing Cheques Issued by Nonresident Issuers at ARMECONOMBANK OJSC
4. ARMECONOMBANK OJSC Anti-Crisis Liquidity Plan
5. Procedure for Business trips of ARMECONOMBANK OJSC Employees
6. Procedure for ARMECONOMBANK OJSC Budgeting
7. Regulation of ARMECONOMBANK OJSC Asset and Liability Committee
8. Procedure for ARMECONOMBANK OJSC Interest Rate Risk Assessment
9. Procedure for ARMECONOMBANK OJSC Credit Risk Assessment
10. Regulation-Job Description of ARMECONOMBANK OJSC Internal Audit Department
11. Procedure for Arrangement of ARMECONOMBANK OJSC Board Activities
12. Procedure for Providing ARMECONOMBANK OJSC “Easy” and “Easy+” Loans
13. Procedure for Opening and Servicing Bank Accounts in ARMECONOMBANK OJSC
14. Procedure for Providing ARMECONOMBANK OJSC Plastic Payment Cards
15. Procedure for Placement of Bank Deposits with ARMECONOMBANK OJSC
16. Procedure for Placement of Child Deposits with ARMECONOMBANK OJSC
17. Procedure for Providing ARMECONOMBANK OJSC Loans Against Pledge of Golden Items
18. Procedure for Opening and Servicing of ARMECONOMBANK OJSC Payment (Plastic) Card Credit Lines
19. Procedure for Providing ARMECONOMBANK OJSC Agricultural Loans
20. Procedure for Providing ARMECONOMBANK OJSC Loans for Purchase of and/or Secured by Primary and Secondary Market Motor Vehicles
21. Procedure for Providing ARMECONOMBANK OJSC Loans Secured by Immovable Property
22. Procedure for Providing ARMECONOMBANK OJSC Unsecured loans to Individuals.
23. Procedure for Providing ARMECONOMBANK OJSC Loans (Guarantees) Secured by Cash, and Guarantees Against Other Collateral
24. Procedure for Providing ARMECONOMBANK OJSC Loans for Purchase of Standardized Gold Bars
25. Procedure for Providing ARMECONOMBANK OJSC Student Loans to Individuals
26. Procedure for Providing ARMECONOMBANK OJSC Loans for Purchase of Goods and Services
27. Procedure for Transactions with Parties Related to the Bank and Parties Interested in the Bank’s Transactions
28. Procedure for Opening and Servicing ARMECONOMBANK OJSC Social Package Accounts
29. Procedure for Providing ARMECONOMBANK OJSC Home Micro Loans and “Solar” Loans
30. Regulation-Job Description of ARMECONOMBANK OJSC Strategy and Risk Management Department

The report by ARMECONOMBANK OJSC Internal Audit Department on post-audit work and efficiency of the bank’s internal control system in 1st quarter 2019 was discussed and noted.

STATEMENT

ARMECONOMBANK OJSC Board preliminary meetings in June 2019

During June 2019 preliminary meetings, the following internal regulatory documents subject to Board approval were discussed:

1. Plan of Actions for Continuity of ARMECONOMBANK OJSC Business Processes
2. Procedure for Servicing Cheques Issued by Nonresident Issuers at ARMECONOMBANK OJSC
3. ARMECONOMBANK OJSC Anti-Crisis Liquidity Plan
4. Procedure for Business trips of ARMECONOMBANK OJSC Employees
5. Procedure for ARMECONOMBANK OJSC Budgeting
6. Regulation of ARMECONOMBANK OJSC Asset and Liability Committee
7. Procedure for ARMECONOMBANK OJSC Interest Rate Risk Assessment
8. Procedure for ARMECONOMBANK OJSC Credit Risk Assessment
9. Regulation-Job Description of ARMECONOMBANK OJSC Internal Audit Department
10. Procedure for Arrangement of ARMECONOMBANK OJSC Board Activities
11. Procedure for Providing ARMECONOMBANK OJSC “Easy” and “Easy+” Loans
12. Procedure for Providing ARMECONOMBANK OJSC “Instant” Loans
13. Procedure for Opening and Servicing Bank Accounts in ARMECONOMBANK OJSC
14. Procedure for Providing ARMECONOMBANK OJSC Plastic Payment Cards
15. Procedure for Placement of Bank Deposits with ARMECONOMBANK OJSC
16. Procedure for Placement of Child Deposits with ARMECONOMBANK OJSC
17. Procedure for Providing ARMECONOMBANK OJSC Loans Against Pledge of Golden Items
18. Procedure for Opening and Servicing of ARMECONOMBANK OJSC Payment (Plastic) Card Credit Lines
19. Procedure for Providing ARMECONOMBANK OJSC Agricultural Loans
20. Procedure for Providing ARMECONOMBANK OJSC Loans for Purchase of and/or Secured by Primary and Secondary Market Motor Vehicles
21. Procedure for Providing ARMECONOMBANK OJSC Loans Secured by Immovable Property
22. Procedure for Providing ARMECONOMBANK OJSC Unsecured loans to Individuals.
23. Procedure for Providing ARMECONOMBANK OJSC Loans (Guarantees) Secured by Cash, and Guarantees Against Other Collateral
24. Procedure for Providing ARMECONOMBANK OJSC Loans for Purchase of Standardized Gold Bars
25. Procedure for Providing ARMECONOMBANK OJSC Student Loans to Individuals
26. Procedure for Providing ARMECONOMBANK OJSC Loans for Purchase of Goods and Services
27. Procedure for Transactions with Parties Related to the Bank and Parties Interested in the Bank’s Transactions
28. Procedure for Opening and Servicing ARMECONOMBANK OJSC Social Package Accounts
29. Procedure for Providing ARMECONOMBANK OJSC Home Micro Loans and “Solar” Loans
30. Regulation-Job Description of ARMECONOMBANK OJSC Strategy and Risk Management Department

The Head of Internal Audit Department communicated the activities of the Department for the reporting month.

Also, other matters related to the normal operation of the Bank were discussed.

STATEMENT

ARMECONOMBANK OJSC Board meetings in July 2019

As discussed and noted during July 2019 meetings:

1. ARMECONOMBANK OJSC Executive Board performance report for 2nd quarter 2019 by CEO (Chairman of the Executive Board).
2. ARMECONOMBANK OJSC 2nd quarter 2019 budget performance report by CEO (Chairman of the Executive Board).
3. ARMECONOMBANK OJSC CFO-Chief Accountant's report on activities in 2nd quarter 2019.
4. ARMECONOMBANK OJSC Ombudsman's report on operations in 2nd quarter 2019.
5. Performance Report by Loan Monitoring Division of ARMECONOMBANK OJSC Loan Monitoring and Problem Assets Recovery Department for 2nd quarter 2019.
6. Performance Report for ARMECONOMBANK OJSC Internal Audit Department for 2nd quarter 2019 by the Head of Internal Audit Department.
7. Performance Report for ARMECONOMBANK OJSC Internal Observations Division for 3rd quarter 2019 by the of Internal Observations Division.
8. Performance Report by ARMECONOMBANK OJSC Compliance Officer for 2nd quarter 2019.

The following internal regulatory documents governing the normal operation of the Bank were discussed and approved:

1. Procedure for ARMECONOMBANK OJSC Construction and Repair Works
2. Procedure for Providing and Servicing ARMECONOMBANK OJSC Personal Safekeeping Boxes
3. Procedure for Payment of ARMECONOMBANK OJSC Dividends
4. Regulation for Classification of ARMECONOMBANK OJSC Loans and Accounts Payable and Provisioning of Possible Losses
5. Procedure for Execution and Servicing of ARMECONOMBANK OJSC Financing against Accounts Receivable (Factoring)
6. Policy for Management of Continuity of ARMECONOMBANK OJSC Business Processes
7. Procedure for Use of ARMECONOMBANK OJSC Portable Computers
8. Procedure for Compliance Standards of ARMECONOMBANK OJSC Employee Appearance and Conduct
9. Regulation-Job Description of ARMECONOMBANK OJSC Commercial Lending Department
10. Regulation-Job Description of ARMECONOMBANK OJSC Retail Lending Department.
11. Regulation-Job Description of ARMECONOMBANK OJSC Loan Attraction and Business Processes Development Department
12. Regulation-Job Description of ARMECONOMBANK OJSC Dealing Center Department
13. Regulation-Job Description of ARMECONOMBANK OJSC Plastic Cards Department
14. Regulation-Job Description of ARMECONOMBANK OJSC Loan Monitoring and Problem Assets Recovery Department
15. Plan of operations of the Compliance Officer for 2nd half of 2019

STATEMENT

ARMECONOMBANK OJSC Board preliminary meetings in July 2019

During July 2019 preliminary meetings, the following internal regulatory documents subject to Board approval were discussed:

1. Procedure for ARMECONOMBANK OJSC Construction and Repair Works
2. Procedure for Providing and Servicing ARMECONOMBANK OJSC Personal Safekeeping Boxes
3. Procedure for Payment of ARMECONOMBANK OJSC Dividends
4. Regulation for Classification of ARMECONOMBANK OJSC Loans and Accounts Payable and Provisioning of Possible Losses
5. Procedure for Execution and Servicing of ARMECONOMBANK OJSC Financing against Accounts Receivable (Factoring)
6. Policy for Management of Continuity of ARMECONOMBANK OJSC Business Processes
7. Procedure for Use of ARMECONOMBANK OJSC Portable Computers
8. Procedure for Compliance Standards of ARMECONOMBANK OJSC Employee Appearance and Conduct
9. Regulation-Job Description of ARMECONOMBANK OJSC Commercial Lending Department
10. Regulation-Job Description of ARMECONOMBANK OJSC Retail Lending Department.
11. Regulation-Job Description of ARMECONOMBANK OJSC Loan Attraction and Business Processes Development Department
12. Regulation-Job Description of ARMECONOMBANK OJSC Dealing Center Department
13. Regulation-Job Description of ARMECONOMBANK OJSC Plastic Cards Department
14. Regulation-Job Description of ARMECONOMBANK OJSC Loan Monitoring and Problem Assets Recovery Department

The Head of Internal Audit Department communicated the activities of the Department for the reporting month.

Also, other matters related to the normal operation of the Bank were discussed.

STATEMENT

ARMECONOMBANK OJSC Board meetings in August 2019

During August 2019 meetings, the following internal regulatory documents governing the normal operation of the Bank were discussed and approved:

1. Procedure for Outsourcing of ARMECONOMBANK OJSC Operations
2. Procedure for Issue of ARMECONOMBANK OJSC Plastic Payment Cards
3. Procedure for Payment of Pensions Through ARMECONOMBANK OJSC Plastic Payment Cards
4. Procedure for Providing ARMECONOMBANK OJSC CASH2CARD Service
5. Procedure for ARMECONOMBANK OJSC Code of Conduct
6. Procedure for Placement of Bank Deposits with ARMECONOMBANK OJSC
7. Procedure for Placement of Child Deposits with ARMECONOMBANK OJSC
8. Regulation-Job Description of ARMECONOMBANK OJSC Information Security Division

STATEMENT

ARMECONOMBANK OJSC Board preliminary meetings in August 2019

During August 2019 preliminary meetings, the following internal regulatory documents subject to Board approval were discussed:

1. Procedure for Outsourcing of ARMECONOMBANK OJSC Operations
2. Procedure for Issue of ARMECONOMBANK OJSC Plastic Payment Cards
3. Procedure for Payment of Pensions Through ARMECONOMBANK OJSC Plastic Payment Cards
4. Procedure for Providing ARMECONOMBANK OJSC CASH2CARD Service
5. Procedure for ARMECONOMBANK OJSC Code of Conduct
6. Procedure for Placement of Bank Deposits with ARMECONOMBANK OJSC
7. Procedure for Placement of Child Deposits with ARMECONOMBANK OJSC

The Head of Internal Audit Department communicated the activities of the Department for the reporting month.

Also, other matters related to the normal operation of the Bank were discussed.

STATEMENT

ARMECONOMBANK OJSC Board meetings in September 2019

During September 2019 meetings, the following internal regulatory documents governing the normal operation of the Bank were discussed and approved:

1. Procedure for Providing, Storing, and Accounting for Technical Inspection Coupons in ARMECONOMBANK OJSC
2. ARMECONOMBANK OJSC Information Exchange Policy
3. Policy of Login to ARMECONOMBANK OJSC Operating and Application Systems, Work Hours, and Security Measures
4. Procedure for Management of Risks and Information Security Incidents in ARMECONOMBANK OJSC
5. Procedure for Evaluation of ARMECONOMBANK OJSC Employees
6. Procedure for Providing ARMECONOMBANK OJSC “Instant” Loans
7. Procedure for Providing ARMECONOMBANK OJSC Loans
8. Procedure for Providing ARMECONOMBANK OJSC Loans Secured by Immovable Property
9. Procedure for Providing ARMECONOMBANK OJSC Agricultural Loans
10. Procedure for Providing ARMECONOMBANK OJSC “Easy” and “Easy+” Loans
11. Procedure for Providing ARMECONOMBANK OJSC “Diminishing Easy” Loans
12. Procedure for Securing Liabilities on Collateral in ARMECONOMBANK OJSC
13. Procedure for Providing ARMECONOMBANK OJSC Loans (Guarantees) Secured by Cash, and Guarantees Against Other Collateral
14. Procedure for Providing ARMECONOMBANK OJSC Mortgage Loans
15. Procedure for Rating of ARMECONOMBANK OJSC Branches
16. Regulation of ARMECONOMBANK OJSC Audit Committee

The report by ARMECONOMBANK OJSC Internal Audit Department on post-audit work and efficiency of the bank’s internal control system in 2nd quarter 2019 was discussed and noted.

STATEMENT

ARMECONOMBANK OJSC Board preliminary meetings in September 2019

During September 2019 preliminary meetings, the following internal regulatory documents subject to Board approval were discussed:

1. Procedure for Providing, Storing, and Accounting for Technical Inspection Coupons in ARMECONOMBANK OJSC
2. ARMECONOMBANK OJSC Information Exchange Policy
3. Policy of Login to ARMECONOMBANK OJSC Operating and Application Systems, Work Hours, and Security Measures
4. Procedure for Management of Risks and Information Security Incidents in ARMECONOMBANK OJSC
5. Procedure for Evaluation of ARMECONOMBANK OJSC Employees
6. Procedure for Providing ARMECONOMBANK OJSC “Instant” Loans
7. Procedure for Providing ARMECONOMBANK OJSC Loans
8. Procedure for Providing ARMECONOMBANK OJSC Loans Secured by Immovable Property
9. Procedure for Providing ARMECONOMBANK OJSC Agricultural Loans
10. Procedure for Providing ARMECONOMBANK OJSC “Easy” and “Easy+” Loans
11. Procedure for Providing ARMECONOMBANK OJSC “Diminishing Easy” Loans
12. Procedure for Securing Liabilities on Collateral in ARMECONOMBANK OJSC
13. Procedure for Providing ARMECONOMBANK OJSC Loans (Guarantees) Secured by Cash, and Guarantees Against Other Collateral
14. Procedure for Providing ARMECONOMBANK OJSC Mortgage Loans
15. Procedure for Rating of ARMECONOMBANK OJSC Branches
16. Regulation of ARMECONOMBANK OJSC Audit Committee

The Head of Internal Audit Department communicated the activities of the Department for the reporting month.

Also, other matters related to the normal operation of the Bank were discussed.

STATEMENT

ARMECONOMBANK OJSC Board meetings in October 2019 As discussed and noted during

October 2019 meetings:

1. ARMECONOMBANK OJSC Executive Board performance report for 3rd quarter 2019 by CEO (Chairman of the Executive Board)
2. ARMECONOMBANK OJSC 3rd quarter 2019 budget performance report by CEO (Chairman of the Executive Board)
3. ARMECONOMBANK OJSC Chief Accountant's report on activities in 3rd quarter 2019
4. ARMECONOMBANK OJSC Ombudsman's report on activities in 3rd quarter 2019
5. Performance Report by Loan Monitoring Division of ARMECONOMBANK OJSC Loan Monitoring and Problem Assets Recovery Department for 3rd quarter 2019.
6. Performance Report for ARMECONOMBANK OJSC Internal Audit Department for 3rd quarter 2019 by the Head of Internal Audit Department
7. Performance Report for ARMECONOMBANK OJSC Internal Observations Division for 3rd quarter 2019 by the of Internal Observations Division

The following internal regulatory documents governing the normal operation of the Bank were discussed and approved:

1. Procedure for Delivery of Funds Received via Golden Money Transfer International Clearing System
2. Regulation-Job Description of ARMECONOMBANK OJSC Central Office (Department) for Customer Service
3. Procedure for Payment of One-Time Child Care Allowance and Opening and Servicing of State Welfare Accounts in ARMECONOMBANK OJSC
4. Procedure for Anti-Money Laundering and Combating the Financing of Terrorism in ARMECONOMBANK OJSC
5. Procedure for Inventory of ARMECONOMBANK OJSC Assets and Liabilities
6. Procedure for ARMECONOMBANK OJSC Liquidity Risk Assessment
7. Procedure for ARMECONOMBANK OJSC Liquidity Management
8. Procedure for Monitoring the Loans Provided by ARMECONOMBANK OJSC
9. Procedure for Issue of ARMECONOMBANK OJSC Plastic Payment Cards
10. Procedure for Bonus Remuneration System for Eligible Loan Specialists of ARMECONOMBANK OJSC
11. Regulation-Job Description of ARMECONOMBANK OJSC Branches of Limited Operations

STATEMENT

ARMECONOMBANK OJSC Board meetings in November 2019

During November 2019 meetings, the following internal regulatory documents governing the normal operation of the Bank were discussed and approved:

1. Procedure for Payment of One-Time Child Care Allowance and Opening and Servicing of State Welfare Accounts in ARMECONOMBANK OJSC
2. Procedure for Inventory of ARMECONOMBANK OJSC Assets and Liabilities
3. Procedure for Bonus Remuneration System for Eligible Loan Specialists of ARMECONOMBANK OJSC
4. Procedure for ARMECONOMBANK OJSC Liquidity Risk Assessment
5. Procedure for Rating of ARMECONOMBANK OJSC Branches
6. Procedure for ARMECONOMBANK OJSC Liquidity Management
7. Procedure for Monitoring the Loans Provided by ARMECONOMBANK OJSC
8. Regulation-Job Description of ARMECONOMBANK OJSC Security Department
9. Procedure for Securing Liabilities on Collateral in ARMECONOMBANK OJSC
10. Procedure for Documentary Collection in ARMECONOMBANK OJSC
11. List of Reports to ARMECONOMBANK OJSC Board, Executive Board/CEO
12. Procedure for Providing ARMECONOMBANK OJSC Loans
13. Procedure for Providing ARMECONOMBANK OJSC Loans for Purchase of and/or Secured by Primary and Secondary Market Motor Vehicles
14. Procedure for Providing ARMECONOMBANK OJSC Loans Secured by Immovable Property
15. Procedure for Providing ARMECONOMBANK OJSC Mortgage Loans
16. Procedure for Providing ARMECONOMBANK OJSC Agricultural Loans

STATEMENT

ARMECONOMBANK OJSC Board meetings in December 2019

During December 2019 meetings, the following internal regulatory documents governing the normal operation of the Bank were discussed and approved:

1. Procedure for ARMECONOMBANK OJSC Cash Section Operations
2. Procedure for Transfers by Payment Orders in ARMECONOMBANK OJSC
3. ARMECONOMBANK OJSC Accounting Policy
4. Procedure for ARMECONOMBANK OJSC Human Resources Policy (Internal Discipline Rules)
5. Regulation-Job Description of ARMECONOMBANK OJSC Staff
6. Procedure for ARMECONOMBANK OJSC Transfers via Clearing Systems
7. Regulation-Job Description of ARMECONOMBANK OJSC International Operations Department
8. Regulation-Job Description of ARMECONOMBANK OJSC Accounting Department
9. Regulation-Job Description of ARMECONOMBANK OJSC Information Technologies Department
10. 2019 Plan of Operations of Internal Audit Department
11. 2019 Plan of Operations of Internal Observations Division

The report by ARMECONOMBANK OJSC Internal Audit Department on post-audit work and efficiency of the bank's internal control system in 3rd quarter 2019 was discussed and noted.