

Amundi acba

ASSET MANAGEMENT

“AMUNDI-ACBA ASSET MANAGEMENT” Closed Joint Stock Company

Conservative pension fund

RULES


Amundi-ACBA Asset Management

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A joint venture between **Amundi** and **acba**.

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Definitions


Wherever used in this rules (hereinafter referred to as “Rules”), and except as otherwise defined herein, upper case terms shall have the meanings set forth below:

- “RA” - Republic of Armenia,
- “Government” - the Government of RA,
- “Central Bank” - the Central Bank of the RA,
- “The Law” - law of RA on funded pensions,
- “Manager” - “AMUNDI-ACBA ASSET MANAGEMENT” CJSC,
- “Amundi” – Amundi Asset Management SA, shareholder of the Manager,
- Fund” - “AMUNDI-ACBA ASSET MANAGEMENT” CJSC conservative pension fund,
- “Fund manager” - Manager of Fund's assets, who is employee of the Manager,
- “Fund unit” - investment security issued by the Registrar on behalf of the Fund, that certifies the right of its owner to have participation in the Fund’s assets,
- “Participant” - owner of the Fund’s unit. The Fund manager is not considered as Participant.
- “Contribution” - cash disbursement for the purpose of obtaining the Fund units. It is formed from the Participant's social contributions and resources allotted from the state budget in accordance with the Law
- “Registrar” - a legal entity, which on the basis of the agreement entered into with the Government of RA, administers the registry of participants, as well as performs other functions as defined by the Law and the agreement entered into with the Government,
 - “Custodian” - an entity, that provides custody services to the Fund and in compliance with the Law on investment funds and other laws and according to the contract with the Manager takes into custody, keeps safe and records the assets of the Fund, services the transactions connected with the management of the Fund and transfers the assets based on those transactions, as well as within the scope of its authorization supervises the operations of the Manager for the interest of the Participants,
 - “Guarantee fund” - fund created in accordance with Law,
 - “Registrar’s fee” - fees for the Registrar’s services, paid by the Manager to the Registrar in accordance with the contract with the Manager, “Custodian fee” - fees for the Custodian

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services ,paid by the Manager to the Custodian, in accordance with the contract with the Manager ,

- “Management fee” - fees for the Manager’s Services, as set forth by the Law,
- “NAV” – net asset value,
- " NAV calculation day " – The day when the NAV is calculated and submitted to the Registrar,
- “Valuation day” - The day, for which the NAV is calculated,
- “Cut off time” – Certain moment as of which the positions and prices of the instruments are considered for the net asset value calculation. For the local instruments the Cut-off time is 23:59 of the Valuation day. For the foreign instruments, the Cut -off time is 8:30 AM (the time of the fund administration agent) of the NAV calculation day;
- “Annuity” - a single or installment payment, as provided by the contract, of the sum specified in the contract, made by a policyholder to an insurer, in return to which the insurer shall return to the policyholder or the beneficiary the paid amount or income secured by the contract within the terms and frequency stipulated by the contract,
- “Term disbursements” - monthly payments to the Participant as defined by the Law, through redemption of Fund units available in the Participant’s pension account at the time, when the Participant attains the pension age,
- “Lump sum payment” - a type of mandatory funded pension as defined by the Law,
- “Beneficiary” – retired Participant or his/her heir, who was granted with the right of Fund units or annuity inheritance as prescribed by the Law,
- “EU” - the European Union,
- “OECD” - the Organization for Economic Co-operation and Development,
- “External auditor” - an independent auditing firm authorized to perform audit of the Fund's as defined by applicable law,
- “Regulation 10/12” - Regulation 10/12 of the Central Bank of RA,
- “Regulation 10/17” - Regulation 10/17 of the Central Bank of RA,
- “Regulation 10/04” - Regulation 10/04 of the Central Bank of RA,
- “Unit exchange” - exchange of unit as set forth by the Law,

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- “Non-convertible foreign currency” - any foreign currency that is used primarily for domestic transactions and is not openly traded in a forex market.

Other notions used in this document have meanings defined by the Law, the Law on investment funds of RA, the Law on Securities market of RA and Central Bank regulations.

1. General information

1.1. The full name of the Manager is AMUNDI-ACBA ASSET MANAGEMENT Closed Joint Stock Company.

1.2. The full name of Fund is AMUNDI-ACBA ASSET MANAGEMENT CJSC conservative pension fund.

1.3. The Fund is a contractual, standard, open-ended investment fund.

1.4. The address of the Manager is 10 V. Sargsyan Str., premises 100-101, 0010 Yerevan, Republic of Armenia.

1.5. The Manager delegates to CACEIS Fund Administration (hereinafter – the Fund administration agent) the functions of Fund’s accounting and the functions of the NAV calculation.

1.6. The address of the Fund administration agent is 1-3, Place Valhubert 75013, Paris, France.

1.7. The custodian of the Fund and the registrar of the participants of the Fund is Central Depository of Armenia OJSC (hereinafter the Custodian or Registrar depending on the case).

1.8. The address of the Custodian (Registrar) is 21/1, V. Sargsyan Str., Erebuni Plaza Business Center, 5th floor, 0010 Yerevan, Armenia.

1.9. If there are any contradictions between Rules and laws or regulations, the requirements of legislation of the Republic of Armenia apply.

2. Units of the Fund

2.1. Fund unit is an investment security, which certifies the right of the Participant to receive funded pension in the manner prescribed by the Law. Only one class of units can be issued on behalf of the Fund. Units belonging to the Participant represent his/her share in the assets of the Fund.


2.2. Fund units can be owned, and disposed exclusively for purposes specified by the Law. Rights certified by Fund units may not be transferred, unless otherwise specified by the Law.

2.3. The initial face value of the Fund units determined by the Government is 1000 (one thousand) AMD.

3. Fund unit issuance, subscription, redemption and suspension

3.1. The Fund NAV per unit, which is defined in the 11th part of this document, is submitted by the Manager to the Registrar before 15:00 (hereinafter “Cut-off time”) of the NAV calculation day . If the NAV is not received by the Registrar before the Cut-off time, the last provided NAV is applied by the Registrar.

3.2. The Registrar possesses the information about the total daily contributions to the Fund. Dividing this amount by the last available Fund unit subscription price/NAV, the Registrar comes up

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with the daily number of Fund units to be issued. The Registrar issues the corresponding new Fund units while transferring the corresponding cash amount to the Fund's cash account. If the cash is not settled on the same day of the Fund units issuance, but on the next day(s), for the new issued and not yet settled Fund units corresponding receivables are recorded when calculating the NAV.

3.3. The Manager calculates and publishes NAV for all the business days, which are working days at the same time in Armenia and in the country of the fund administration agent. The Fund units are issued and redeemed only on business days in Armenia. The Fund units are issued by the Registrar once a day before 15:15 Yerevan time based on the last available published NAV.

3.4. The Fund unit redemption operations, as defined by the Law and Central Bank regulations, can be only caused by:

- 3.4.1. Eligible early withdrawals (rights for the Fund units disposal before the retirement age),
- 3.4.2. Lump-sum payment,
- 3.4.3. Annuity purchases,
- 3.4.4. Term disbursements,
- 3.4.5. Units exchange,
- 3.4.6. Manager's own Fund units redemption,
- 3.4.7. Termination of the Fund,
- 3.4.8. Other causes determined by the Law.

3.5. After receiving applications on redemptions from the Participants, the Registrar freezes the number of Fund units mentioned in the applications. The redemption prices and the amount to be redeemed are automatically fixed by the Registrar at the moment the redemption applications were received from the Participants. The Registrar makes available to the Manager the collective information about the number of Fund units to be redeemed and the redemption amount. Within 7 business days from the moment when the information about the redemptions becomes available to the Manager, the latter has to transfer the redemption amount to the Registrar.

3.6. The Manager can suspend the subscription and redemption to Fund units in the following cases


3.6.1. Failures in normal activity of regulated markets, which hinders the fair valuation of majority of Fund assets or their disposal to reimburse the Fund units redemptions. Not complete list of these failures includes the suspension of Fund's assets' quotations, IT issues in certain regulated markets, natural disasters or other force majeure situations in the country of a particular market, etc.

3.6.2. Operational and technical issues that hinder trading activity of the Manager or other third parties (e.g. brokers) in the market and thus, can negatively affect the market valuations of Fund assets. These cases include, but are not limited to connection problems, issues with IT tools, that are used in fund management activity, significant technical and other operational issues related with brokers and counterparties.

3.6.3. Liquidity issues in case of Fund units redemptions that hinder the disposal of Fund assets and can create potential losses for the remaining Participants.

3.6.4. Redemptions can cause the NAV per unit to decline significantly and/or under the minimum level defined by regulation (if any).


3.6.5. Other reasons, which make impossible the valuation of Fund's assets and liabilities, including, but not limited to natural disasters or other force majeure situations, problems with the Fund administration agent, the Custodian, etc.

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Subscription or redemption of the new fund units may be suspended no longer than for 3 months period upon prior notification to the Central Bank and custodian, specifying grounds of suspension,, as well as the announcement should be published within three days on the official websites of Registrar and Manager.

4. Rights and obligations of the Participants

- 4.1. The Participant has right to receive from the Registrar the information reflected in his/her pension account both annually and quarterly free of charge. Moreover, he/she can receive the annual information no later than April 15th of the year following the previous calendar year, and the quarterly information no later than the last day of the month following the previous quarter, unless otherwise specified in the Law.
- 4.2. A Participant has right to be entitled to funded pension, if:
- 4.2.1. The Participant reached the retirement age,
- 4.2.2. The Participant turned 55 years old and the total NAV of the Fund units accumulated in his/her pension account meets with the amount specified in the section 4.4.3 of these Rules..
- 4.3. Types of funded pensions are as follows:
- 4.3.1. Annuities,
- 4.3.2. Term disbursements,
- 4.3.3. Lump sum payment.
- 4.4. Depending on the total asset value of the Fund units available in his/her pension account, the Participant may receive his/her mandatory funded pension in the following manner:
- 4.4.1. If the payment of the Participant’s resources in equal monthly installments in accordance with the Law is less than 75 percent of the basis pension or equal to it, Participant shall be entitled to receive funded pension in the form of Annuity or term disbursements or as Lump sum payment,
- 4.4.2. If the payment of Participant’s resources in equal monthly installments in accordance with the Law is more than 75 percent of the basis pension, but is less or equal to five-fold of the basis pension, Participant shall be obligated to sign Annuity contract for the amount received as a result of redemption of Fund units,
- 4.4.3. If the monthly payments are more than five-fold of the basis pension, the Participant should sign an Annuity agreement for the monthly amount equal to five-fold of the basis pension, while for the residual amount select either Annuity, either Term disbursements or Lump sum.
- 4.5. The right to annuity shall arise irrespective of the fact of receiving annuity, state pension or other benefit from other sources.
- 4.6. The Participant may at any time, including before attaining pension age, submit a request to redeem all Fund units available in his/her pension account (including pension paid as a term disbursement based on the earlier request of the Participant), if any of conditions stated below are available:
- 4.6.1. The Participant was recognized disabled with third degree of working incapability in accordance with the legislation,
- 4.6.2. In case of having disease included in the list of diseases established by the Government based on the conclusion of the Government authorized body in the health sector,
- 4.6.3. The Participant working in RA returns to the country of his/her permanent residence.
- 4.7. The Participant may not:
- 4.7.1. Pledge his/her Fund units,

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- 4.7.2. Invest his/her Fund units in the statutory capital of a legal entity,
- 4.7.3. Donate or alienate his/her Fund units in any other manner,
- 4.7.4. Use his/her Fund units in any manner other than specified in the Law.

4.8. Fund units owned by the Participant may not be subject to seizure against liabilities of the Participant until he/she attains the right to receive pension savings.

4.9. The Participant is entitled to change his/her Fund free of charge in order to direct his/her existing Fund units and/or future contributions to another Fund managed by the Manager or to another pension fund manager.

5. Rights and obligations of the Manager

5.1. Manager has the right to:

- 5.1.1. Manage the assets of the Fund at its professional judgment and discretion,
- 5.1.2. Receive the Management fee pursuant to these Rules,
- 5.1.3. Outsource part of its activities to third parties, except for the activities which outsourcing is not permitted by these Rules or by the applicable laws,
- 5.1.4. Change the Custodian, in the cases and the manner set forth in the applicable law,
- 5.1.5. Other rights set forth in applicable law.

5.2. When acting on behalf of the Fund, the Manager and the employees of the Manager act in the best interests of Participants, perform their rights and obligations with respect to Participants, in good faith, in reasonable and professional manner, without nevertheless guaranteeing the achievement of a specific result, performance or income.

5.3. Manager has the obligations to:

- 5.3.1. Implement an adequate system of internal control,
- 5.3.2. Maintain the minimum volume (as required by the applicable law) of own investment in the Fund,
- 5.3.3. Engage effective organizational and managerial measures to prevent conflict of its fund management activities,
- 5.3.4. To invest the contributions received from the Participants in accordance with these Rules,
- 5.3.5. To comply with the applicable laws.

6. Investment strategy and associated risks

A. Investment objectives, constraints and preferences

6.1. The Manager’s fundamental investment objective is to seek to maximize the total return on assets based on best execution principle.

6.2. Substantial need for cash in excess of new contributions is expected no sooner than 20 years from the Fund’s inception. This is subject to changes in legislation and other circumstances. The Fund operates in strictly regulated environment. The very long-term horizon of the Fund and low probability of early redemptions contributes to low liquidity risk on the liabilities side..

6.3. At the inception of the Fund, the investment horizon is long term.

B. Portfolio policies and strategies

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6.4. The Fund invests in fixed income and equity instruments, or instruments which have underlying such type of instruments. In the local market, investments denominated in AMD can be performed in Government and corporate bonds, in bank deposits, as well as other permitted instruments. The assets of the Fund can be invested in money market instruments, government and corporate bonds, equity instruments denominated in foreign currency, inexchange traded funds (ETFs) and mutual funds investing solely in the above mentioned instruments as well as in other permitted instruments.

For purposes of hedging, the assets of the Fund can be invested in derivative financial instruments.

Derivative financial instruments shall be deemed to be entered into for purposes of hedging, if there is a direct link between the relevant derivative instrument and the risk being hedged.

C. Primary associated risks

6.5. By Investing in fixed income and equity instruments the Fund is subject to risks. The non-complete list of risks is as follows:

6.5.1. Interest rate risk, which is associated with the market price risk and coupon reinvestment risks. Market price risk occurs, when the bond prices decline because of rising interest rates. Bonds with longer maturities and lower coupon rates are more sensitive to interest rate risk. Coupon reinvestment risk exists, when because of declining interest rates, the coupon income received is invested with lower interest rate.

6.5.2. Equity securities risk, which is the risk that materialize the capital loss, induced by the market value of instruments and portfolio holdings, which value depends on equity prices.

6.5.3. Currency risk, which is the risk, that the Fund's NAV could decline if the currency of a non-AMD denominated instrument in which the Fund invests, depreciates against AMD.

6.5.4. Credit and default risk, which is the risk that a bond issuer will fail to pay interest and principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of that bond to decline, thus reducing the Fund's return.

6.5.5. Liquidity risk, which is the risk that due to lack of marketability an investment cannot be bought or sold quickly enough to prevent or minimize a loss.

6.5.6. Call risk, which is the risk that during periods of falling interest rates, issuers of callable bonds may call (redeem) securities with higher coupons or interest rates before their maturity dates, and as a consequence the Fund may lose any price appreciation above the bond's call price and would be forced to reinvest the unanticipated proceeds at lower interest rates, resulting in a decline in the Fund's income.

6.5.7. Inflation risk, which arises from the decline in value of cash flows, measured in terms of purchasing power.

6.5.8. Country/regional/global risk, which is the risk that global, regional and/or country specific events, such as political upheaval, financial troubles, natural disasters, pandemics and other events, that cannot be predicted and prevented, will adversely affect the value of instruments issued by foreign governments, government agencies, or companies. Country/regional/global risk can adversely impact the Fund's performance.

6.5.9. Currency hedging risk, which is the risk that the currency hedging transactions may not perfectly cover the Fund's currency risks.

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6.5.10. Counterparty risk is the risk that the counterparty to a particular contract with the Fund may be unable or unwilling to meet its financial obligations.

D. Eligible instruments, restrictions

6.6. Eligible foreign instruments:

6.6.1. Deposits and bank accounts in financial institutions licensed and regulated by banking system regulators in OECD or EU countries,

6.6.2. OECD or EU sovereign bonds, treasury issues and OECD or EU member Central Bank issued securities or securities fully guaranteed by OECD or EU sovereigns or Central Banks, supranational.

6.6.3. Securities duly registered in the OECD or EU domiciled and licensed regulated markets,

6.6.4. OECD or EU domiciled, properly registered and licensed funds' shares,

6.6.5. Financial derivatives solely for the hedging purposes.

6.7. Eligible local instruments:

6.7.1. Bank accounts and deposits, if the bank is not under bankruptcy procedure or under sanctions. The eligibility of investments with the Bank under sanction is defined by the Manager. The fund assets can be invested in term deposits offered by that fund's custodian, their directors, the registrar of fund participants, independent auditor, as well as persons affiliated with them and Fund manager with the preliminary permission of Central Bank (for each investment).

6.7.2. Securities issued by RA or the Central Bank, or securities fully guaranteed by RA or the Central Bank,

6.7.3. Securities duly registered and traded in the Armenian regulated market, as well as the newly issued securities if those, according to the conditions of their issue and (or) offer shall be permitted in any regulated market (intended by 6.6 and 6.7 points) within the next 12 months. ,

6.7.4. Shares of funds, which are regulated by the Central Bank,

6.7.5. Financial derivatives, solely for the hedging purposes.

6.8. Restrictions and position limits:


6.8.1. The total of equity positions and derivatives for hedging these positions shall be less than 25% of the Fund's assets.

6.8.2. Combined foreign currency positions shall not exceed 40% of the Fund's total assets.

6.8.3. Combined positions denominated in non-convertible foreign currency shall not exceed 3% of the Fund's total assets.

6.8.4. Total volume in the bank accounts and bank deposits, including the certificates of deposits, shall not exceed 40% of the Fund's total assets. At the same time the aforementioned instruments in one bank, or one group of affiliated banks (as defined by the Law on Banking), shall not exceed 10% of the Fund's total assets. Those limits do not apply to custodian accounts of the Fund. In addition, the assets of the Fund can be invested into the deposits with foreign banks only in case such foreign bank has credit ratings equal or above S&P's BBB group's BBB, Moody's Baa group's Baa3 and Fitch's BBB group's BBB.-.

6.8.5. Total amount of investments in securities issued or fully guaranteed by the RA, municipalities of RA or by the Central Bank, may not exceed 50% of the Fund's assets. At the same time, the holdings in one particular issue shall not be more than 20% of the Fund's assets. This

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restriction does not apply to the issues originated specifically for the mandatory pension funds, in which case the limit is 50% of the Fund’s assets.

6.8.6. Total amount of investments in securities issued or fully guaranteed by a foreign state or the Central Bank of that state, may not exceed 40% of the total assets of the Fund, whereas the total amount of investment in one issue (tranche) may not exceed 20% of the total assets of the Fund.

6.8.7. Total amount of investments in securities specified in paragraphs 6.8.5 and 6.8.6 may not exceed 80% of the total assets of the Fund.

6.8.8. Total amount of investments in securities issued by securitization funds, according to the RA law “On Asset Securitization and Asset-Backed Securities” may not exceed 5% of total assets of the Fund.

6.8.9. Investment in asset-backed securities per issuer other than securitization funds, may not exceed 25% of total assets of the Fund. Asset-backed securities are:

6.8.9.1. Mortgage-backed securities issued by banks and credit organizations in accordance with RA law “On Mortgage-Backed Securities”;

6.8.9.2. Debt securities issued by foreign banks. The proceeds from the placement of these securities should be invested in assets which:

a. serve as sufficient security (coverage) for these debt securities before their maturity ; and

b. in case of insolvency or bankruptcy of issuing bank are used as a primary source for covering security claims of creditors (repayment of principal (face value) and accrued interest on securities).

6.8.10. The assets of the Fund shall not be invested in:

6.8.10.1. More than 10% of the voting shares in the single issuer’s equity,

6.8.10.2. More than 10% of the non-voting shares in the single issuer’s equity,

6.8.10.3. More than 40% of the total debt securities issued by the single corporate issuer,

6.8.10.4. More than 25% of the shares in other fund.


6.8.11. Investments in securities issued by investment funds may not exceed 50% of total assets of the Fund. In addition, investments in the securities issued by the investment funds shall not exceed 10% of the Fund’s total assets in case:

6.8.11.1. Such investment funds are not open-end, public, standard or diversified fund registered in the Republic of Armenia;

6.8.11.2. Those investment funds are not duly registered by the foreign regulators as open-end and public, and at least 90% of their assets are not invested solely in the bank deposits, state issued securities, securities traded on the regulated markets or in other liquid securities (as defined by the Law on Investment Funds).

6.8.12. The investments in the fund managed by a single fund manager or funds that are managed by managers that are affiliated according to the Article 3, Clause 36 of the Law on Securities Market shall not exceed 25% of Fund’s assets.

6.8.13. Investments in the securities of a particular issuer shall not exceed 10% of the Fund’s total assets, and investments in the securities issued by a group of affiliated issuers shall not exceed 15% of the Fund’s total assets, if otherwise stated in Rules,

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6.8.14. Total exposure to the securities, including deposits, issued by the issuer (except asset-backed securities), deposits with it and risk associated with the derivative agreements with the same issuer shall not exceed 20% of the Fund's total assets.

6.8.15. Total investments in securities per issuer (including asset-backed securities), bank assets invested in such issuer and derivative instruments signed with such issuer shall not exceed 30 percent of assets of the Fund.

6.8.16. Financial derivatives are used only for hedging purposes, when the Fund has position in the underlying security or when a specific embedded risk in the Fund holdings is mitigated. The notional value of a derivative contract with single counterparty shall not exceed 10% of the Fund's total assets in case such counterparty is a bank, and 5% in case such counterparty is another financial institution. The total risk exposure of the Fund's combined derivative positions shall not exceed the total volume of the Fund's assets.

6.8.17. Investments in a single foreign country shall not exceed 15% of the Fund's total assets, unless for the certain instruments the exposure to the particular country cannot be explicitly determined. In case of investments in exchange traded funds (ETF) or in mutual funds, if the prospectus of the ETF or mutual fund mentions, that it can invest only in one certain country, in this case the exposure should be calculated for that country. If the prospectus of the ETF or mutual fund mentions, that it can invest in several countries and the explicit breakdown of countries is clear, in this case the registration country of the ETF or the mutual fund is taken into account for the calculation of the limit . If none of above mentioned provisions are kept, the constraint is not considered.

6.8.18. The borrowings of the Fund shall not exceed 10% of its total assets and shall not have maturity of over 3 months.

6.8.19. Calculation of quantitative and foreign exchange limitations on the investment in financial instruments of the Fund shall be based on the total market value of the Fund's assets.

6.8.20. Quantitative and currency limits mentioned above are applied if the NAV of the Fund is more than two billion Armenian dram.

6.8.21. The assets of the Fund cannot be invested in:

6.8.21.1. Securities issued by the Manager or by the Custodian, or their affiliates. This provision shall not apply to the investments in stakes (units) of other fund managed by the Manager (or by its affiliated persons), provided all provisions listed below exist:


- a. fund's investment policy does not contradict the investment objectives of the Fund,
- b. no subscription or redemption fees are applied,
- c. if the assets of the fund managed by the Manager are invested in any other fund managed by it, double fees should not be charged.

6.8.21.2. Securities issued by the external auditor of the Manager or the Custodian,

6.8.21.3. Securities issued by a professional consulting company that provides services to the Manager or to the Custodian,

6.8.21.4. Any derivative instrument other than acquired for position hedging purposes,

6.8.21.5. Any assets that have disposal restrictions,

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- 6.8.21.6. Direct investment in real estate or tangibles (art, antiques, coins, luxury cars etc.),
- 6.8.22. The Fund’s assets shall not be sold out of the regulated market or anyhow transferred to:
- 6.8.22.1. The Custodian,
 - 6.8.22.2. The Manager,
 - 6.8.22.3. Any person from the management team of the entities above,
 - 6.8.22.4. Any affiliate of those mentioned above.
- 6.8.23. The Manager and the Custodian of the Fund may not lend to or guarantee the liabilities of each other.
- 6.8.24. The Manager must take measures in order to ensure conformity of Fund’s investments according to the requirements of the Law and regulations, to provide the highest possible return, as well as to maintain and safeguard Fund’s assets, if the quantitative and currency limits were breached as a result of:
- 6.8.24.1. Changes in market prices that caused the respective valuation of the assets;
 - 6.8.24.2. Changes in currency exchange rates;
 - 6.8.24.3. Structural changes in those entities, that are issuers of securities hold by the Fund;
 - 6.8.24.4. Any other cause that was out of the Manager’s control.
- 6.8.25. Any actions to re-balance the Fund’s portfolio to comply with the restrictions and limits above shall be complete no later than 6 months after the breach was detected.
- 6.8.26. While exercising the embedded rights which the Manager is entitled to, in regard to the securities in the Fund’s holdings, the Manager shall act exclusively in the Participants’ best interests.

7. Financial derivatives: use and risks

7.1. The Manager may invest in derivatives on behalf of the Fund. In particular, direct investments in financial derivatives will be used only for hedging purposes. The Manager may invest in financial derivatives only if the expected risks and rewards of the derivatives are consistent with the investment objective, policies, strategies, risks and investment restrictions of the Fund as disclosed in these Rules. Fund assets can be invested in listed as well as in non-listed derivatives.

7.2. The total exposure on all derivative instruments included in the assets of the Fund shall not exceed the total value of the assets of the Fund.

7.3. The total value of the assets is defined as a sum of the market value of all the assets included in the Fund

8. Income of the Fund

8.1. All incomes generated by the Fund’s assets, including, but not limited to: realized general capital gains, fixed income securities’ interest payments, dividends etc., shall be reinvested in the Fund. No distributions are expected.

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8.2. Profitability of the Fund is measured in accordance to the Regulation 10/17. The data on profitability of the Fund is subject to disclosure and publication as set forth by the applicable regulations and these Rules.

9. Procedure on investment decision making and responsible officials

9.1. Fund management strategic decisions are taken by the investment committee of the Manager, based on the Fund manager’s proposals. The committee has the main missions to define the main Fund management directions, the asset allocation strategies, follows up the investments and performances, reviews strategic asset allocation regularly to ensure consistency with changes that may occur in the external environment, in regulatory framework or in strategic objectives. The chairman of the committee is the CEO of the Manager or his representative . The committee members are representatives from Amundi-ACBA’s and Amundi’s fund management teams, representatives from Amundi-ACBA’s and Amundi’s risk business lines. Other experts can participate to the committee, if needed. The investment decisions are implemented by the Fund managers.

9.2. The Fund management activity is based on management processes defined previously, taking into consideration the regulatory and internal rules and constraints defined in these Rules or in internal procedures or decisions. Within these guidelines, the Fund managers are responsible for their decisions for investing or for divesting.

9.3. The Fund managers decisions are taken in accordance with the financial and macroeconomic guidance defined by the Manager and by the investment committee of the Manager. The Fund manager is responsible for selecting the financial instruments and for buying or selling financial instruments according to his anticipation, and to the market conditions. To help him in making his decision, the Fund manager has granted access to Amundi’s credit and financial analysis. Also, he can take into consideration any external research documents, if this research is relevant and has reasonable basis.

10. Fees and charges

10.1. The Manager of the Fund is entitled to receive a global Management fee, which is calculated as the percentage from the NAV of the Fund. The fees of the Registrar and the Custodian (except foreign trade completion fees specified in part 10.8 of these Rules) are charged from the Management fee.

10.2. The rate of annual global management fee is 0.95% of the NAV.

10.3. This fee is accrued on a daily basis and paid on a monthly basis, no later than the 10th business day of the following month. Global management fees (GMF) on day t are calculated according to the following formula:

$$GMF_t = \frac{(Assets_t - Accrued liabilities_t - Accrued fees_{t-1} + paid fees_t) * GMF rate}{ADC}$$

Where:

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- GMF_t = the daily amount of global management fees,
- $Assets_t$ = the total market value of assets on day t,
- $Accrued liabilities_t$ = the total market value of liabilities on day t - accrued fees on day t,
- $Accrued fees_{t-1}$ = accrued global management fees on day t-1 + accrued guarantee fund fees on day t-1 + accrued audit fees on day t-1.
- $Paid fees_t$ = the management fee paid on day t + guarantee fund fee paid on day t + audit fee paid on day t.
- $GMF rate$ = the management fee rate of the Manager, which includes Custodian and Registrar fee rate,
- ADC = the actual days count (365 or 366 days).

10.4. The Registrar fee is defined in the agreement between the Fund Manager and the Registrar. These fees are paid by the Manager on a monthly basis, according to the invoice received from Registrar, within the time specified by the rules on tariffs of the Registrar.

10.5. The Custody fee is defined in the agreement between the Fund Manager and the Custodian. These fees are paid on monthly basis according to the invoice received from Custodian, within the time specified by the rules on tariffs of the Registrar.

10.6. The Fund pays quarterly fees to the Pension Funds' Guarantee fund in amount of 0.02% from the Fund's net asset value.


10.7. The guarantee fund fees are accrued on a daily basis and paid quarterly no later than the 10th business day of the month following the quarter. The guarantee fund fee on day t is calculated according to the following formula:

$$GFF_t = \frac{(Assets_t - Accrued liabilities_t - Accrued Fees_{t-1} + paid fees_t) * GFF rate}{ADC}$$

Where:

- GFF_t = the daily amount of Guarantee fund fees,
- $Assets_t$ = the total market value of assets on day t,
- $Accrued liabilities_t$ = the total market value of liabilities on day t - accrued fees on day t,
- $Accrued Fees_{t-1}$ = accrued global management fees on day t-1 + accrued Guarantee fund fees on day t-1 + accrued audit fees on day t-1,
- $Paid fees_t$ = the management fee paid on day t + guarantee fund fee paid on day t + audit fee paid on day t.
- ADC = the actual days count (365 or 366 days),
- $GFF rate$ = the rate of the Guarantee fund fee.

In the event funds of the Guarantee Fund (excluding loans, borrowings, guarantees, grants, contributions and donations) as of the last day of the reporting quarter exceed 2.5% of mandatory pension fund net assets under management of all pension fund managers, pension fund managers shall not pay regular guarantee fees. The Guarantee Fund shall notify about that pension fund managers and the RA Government's authorized body in the financial sector before the fifth day of the month following the reporting quarter. Pursuant to this paragraph, payment

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of regular guarantee fees shall be suspended (payment starts) from the next month after the day when Guarantee Fund makes such announcement.

10.8. The Fund may incur other expenses, involving transaction costs, fees for securities and cash transfers, interest expenses from loans and borrowings, as well as repo and reverse repo transactions. The annual amount of these expenses can't exceed the levels defined by regulation 10/12, otherwise the Manager should compensate the Fund for the expenses in excess.

10.9. Fund incomes and expenses are accounted on an accrual basis, except for fees and other expenses related to the transfer and the settlement of cash and securities registered with foreign custodian, which are integrated in NAV of the Fund as of the day of receiving the respective invoice from the Custodian and are revaluated on a daily basis till the actual payment unless otherwise specified in CBA regulation 10/04.

10.10. As a general rule, fees are paid within 10 business days following the month for which they incurred.

10.11. Foreign brokerage fees are included in the net trade amount of the transaction and are paid upon settlement.

10.12. The local brokerage fees including local stock exchange fees (if any) are integrated in the NAV of the Fund on the trade day and are paid on the settlement date.

10.13. Cash transfer fees from the local sub- custodian bank are paid on the day of cash transfer or are accrued in the NAV calculated for day of cash transfer.

10.14. The audit fees of the Fund are paid at the expense of the Fund assets according with the maximum amount defined by the Central Bank Regulation 10/12.

10.15. The amount of audit fees for the year, payable by each fund is based on the proportion of that fund's NAV in the global NAV of the three mandatory pension funds managed by the Manager, as of the last working day of the previous year.

10.16. Audit fees are accrued on a daily basis and paid, according to the audit agreement. Audit fee on day t is calculated according to the following formula:

$$\text{Audit fee}_t = \frac{\text{Audit fee for the fund}}{365 \text{ or } 366}$$

Where

- Audit fee_t = the daily audit fee on day t ,

10.17. All fees defined above are rounded with 2 decimal places.

11. NAV per unit, subscription and redemption prices

11.1. The number of outstanding Fund units is defined by the most recent report available in the Registrar's system. The NAV for the Fund is calculated for each business day after the closing of corresponding markets and availability of relevant prices, taking into account the last available data as of Cut off time. The NAV divided by the number of outstanding Fund units represents the Fund's NAV per unit. The Fund unit subscription price is identical to the NAV per unit. The redemption price can be

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1% less than the NAV, which is charged in favor of the Manager, if not otherwise mentioned in these Rules.

11.2. The redemption fee is waived for the following transactions requested by the Registrar:

11.2.1. When the money for the redeemed Fund units is used for retirement payments to the Participant as term disbursements or lump sum payments, or is transferred to the chosen insurance company for the annuity purchase, or other eligible withdrawal cases as defined by the Law,

11.2.2. If the request relates to a unit exchange with another mandatory pension fund managed by the Manager,

11.2.3. If the unit redemption is caused by the closure of the Fund, in cases defined by the Law,

11.2.4. In case of exchange by the Participant of his/her pension fund units with another pension fund units managed by another pension fund manager the first time during 12 months in a manner defined by the Law,

11.2.5. If the Participant is requesting the Fund unit exchange for the first time after the retirement account opening,

11.2.6. First transaction by a heir for exchanging the units inherited in the manner established by the Law.

11.3. If the heir submits application for redemption of inherited Fund units and receiving their proceeds as a lump sum in the manner prescribed by the Law, the Fund charges additional 2% redemption fee.

11.4. After being validated by the Manager, the NAV per unit is sent to the Registrar. The NAV is also being published on the Manager’s website, as defined by the CBA regulation 10/09 .

11.5. If the Fund administration agent does not calculate the official NAV for the Fund until abovementioned Cut-off time, the Manager provides an estimated NAV to be recorded by the Fund administration agent and by the Registrar.

11.6. If the Manager can’t provide the NAV to the Registrar before Cut-off time, the previous NAV applies.

11.7. The NAV per unit, subscription and redemption prices are rounded up to 4 decimal places.

12. NAV calculation

12.1. The NAV calculation is based on laws and regulations of RA, French GAAP, as well as this Rules..


12.2. The main elements of the NAV calculation framework are the net assets of the fund (assets minus accrued liabilities) and the number of units.

12.3. The NAV per unit for day t is calculated by dividing the NAV of the Fund on that day t by the number of units, according to the following formula:

$$\text{NAV per unit}_t = \frac{\text{Net Assets}_t}{\text{EOD Number of units}_t}$$

Where:

- Net assets_t = Total assets_t - Total liabilities_t

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- Total assets t = the fair market value of the Fund assets t (including cash and money market instruments).
- Total liabilities t = accrued fees t + payables for unsettled securities t + other liabilities t .
- EOD Number of units t (end of the day) = BOD number of units t (beginning of day)
+ subscribed units during day t - redeemed units during day t

If the day t precedes the non-working day (days), then the frozen (subject to redemption) Fund units generated during the non-working day (days) are included in the NAV of the next working day.

Rounding rules:

- For the NAV calculation, the number of units are rounded with 6 decimal digits, while NAV per unit is rounded with 4 decimal digits.

12.4. Valuation of cash and bank deposits

12.4.1. The valuation of cash accounts and bank deposits is performed based on their nominal value and on the amount of accrued and not received interests.

- Daily accrual t = (Deposit balance on day $t-1$ * nominal interest rate) / Days count
- Days count may be either 360 365 or 366 days.

12.4.2. For the local market, for the day t preceding a non-working day (days), the daily accrual t aggregates accumulated interest for upcoming non-working day(s), except the cases described in the points 12.14.1 and 12.14.2.

Rounding rules:


- For AMD cash accounts, all balances are rounded with 2 decimal digits,
- For foreign currency accounts, all balances are rounded with 2 decimal digits.

12.5. Valuation of local bonds

12.5.1. Local government bonds denominated in AMD are valued based on the latest available yield curve, published by the Central Bank of Armenia.

12.5.2. The price hierarchy for the valuation of listed local corporate bonds is as follows:

- a) Closing price of regulated market as of the valuation day,
- b) Arithmetic average of the highest bid price and the lowest ask price at the closing of the regulated market trading session on the valuation day,
- c) If the prices specified above are not available (or do not exist), the bond shall be evaluated at the latest known respective price determined in accordance with the order set out in points a and b, except if these prices are not available for the last 30 business days,
- d) If above mentioned prices are not available for the last 30 business days, the fair value of the bond is calculated by the Manager.

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12.5.3. Corporate bonds in RA which are not yet quoted in regulated market are valued at the acquisition price till being quoted in the regulated market and further revaluation is done based on the last acquisition price by the Manager . When it pays a coupon during the placement period, then it's revalued at the placement price as of the coupon payment day.

Rounding rules:

- The prices for local government bonds are expressed relative to 100 and rounded with 8 decimal digits,
- The prices for local corporate bonds are rounded up to 8 decimal digits,
- The market values of local government bonds and local corporate bonds are rounded with 2 decimal digits.

12.6. *Foreign currency*

12.6.1. The valuation of all assets and liabilities, including those, denominated in foreign currency, is performed in AMD.

12.6.2. The valuation of foreign currency-denominated assets and liabilities is performed, according to the following hierarchy:

- a) Last currency transaction price of the trading session in the Armenian regulated market as of the Valuation day,
- b) Exchange rate, published by the Central Bank of Armenia on the valuation day.

Rounding rules:

- The Manager daily contributes reversed exchange rates (1/original exchange rate) to the Fund administration agent, rounded with 10 decimal digits.
- The Fund administration agent reverses them back with 10 decimal digits.

Disclosure:


As a result, rounding error can contribute to slight differences between original exchange rates, and the one, used by Fund administration agent for the valuation of Fund assets and liabilities.

12.7. *Valuation of Armenian Eurobonds, listed foreign equities and bonds*

12.7.1. The valuation of listed foreign securities and Armenian eurobonds are performed based on the notion of the fair value.

12.7.2. The price hierarchy for the valuation of foreign bonds and Armenian eurobonds traded in a foreign stock exchange is as follows (all data is based on the hierarchy of pricing contributors, which is defined in the Manager's internal procedures):

- a) Last available mid-closing price, calculated as the arithmetic average of the best ask price and the best bid price (at the closing of the trading session) from different pricing sources,
- b) Mid-closing price available during 30 business days preceding the valuation date,

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c) Last available price based on the respective yield curve.

12.7.3. The price hierarchy for the valuation of foreign equities traded in a foreign stock exchanges are as follows (all data is based on the hierarchy of pricing contributors, which is defined in the Manager’s internal procedures):

- a. Closing price as of the valuation day or more recent closing price, if available,
- b. Latest known closing price on the day preceding the valuation day,
- c. If the prices, mentioned above, are not available during 30 business days preceding the valuation date, the Manager contributes the price for the security, determined in good faith by using generally accepted methods in financial sector.

Rounding rules:

- The prices for foreign equities and bonds are rounded with up to 4 decimal digits, depending on the price provided by the contributor,
- The AMD equivalent of the value of the foreign equities and bonds is rounded with 2 decimal digits.

12.7.4. If there has been any material event, since the date of establishment of the last transaction price or the last known price (within the above mentioned 30 business days), with respect to the security or its issuer, that may materially affect the price of the security, the Manager may respectively adjust the price of the security by establishing its fair market value.

12.8. Valuation of units (shares) of funds

12.8.1. The exchange traded funds (ETFs) and other closed-end funds (with daily NAVs) are valued based on the last available NAV as of the Cut-off time, and in case of its absence the last available closing price as of the cut-off time.. If there is new NAV published on the day following the valuation day, which is non-working day, the latter maybe taken into consideration for valuation of the funds:

a)


12.8.2. The value of open-ended mutual funds is determined by the last available NAV as of the Cut-off time or more recent NAV, if available.

12.8.3. The source of abovementioned data is selected based on pricing source hierarchy defined in the Manager’s internal procedures.

12.8.4. The value of the units (shares, interests) of non-public funds (including private equity funds), is determined by the reasonable selling price, which is determined in good faith, using universally accepted methods in finance.

Rounding rules:

- The prices for fund units are rounded with up to 4 decimal digits, depending on the price provided by the contributor. The AMD equivalent of the value of the fund units is rounded with 2 decimal digits.

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12.9. Valuation of unsettled funds

12.9.1. The quoted funds and open-ended mutual funds are included in the NAV calculation as of the trade-date. Before the final settlement, quoted funds create receivables (if sold) or payables (if bought). The net trade amount is reevaluated with the daily foreign exchange rate.

12.9.2. In case of an open-ended mutual fund, if a different net trade amounts is available before the confirmed price is received from the Custodian till cut off time, then receivables and payables are reevaluated based on the new trade amount. Upon receiving confirmation from the custodian till cut off time, liabilities for mutual funds are reevaluated based on the final price.

12.10. The valuation of repo and reverse repo transactions

12.10.1. The valuation of repo and reverse repo transaction is performed in accordance with IFRS.

12.11. The valuation of financial derivatives

12.11.1. The valuation of financial derivatives is performed in accordance with the Regulation 10/04.

12.12. Valuation of overdue receivables

12.12.1. If the issuer does not fulfill its obligations towards the debt securities (including redemption, partial redemption, coupon payment), the following percentages shall be subtracted from the value of the receivable amounts under such debt securities:

- within 90 days following the scheduled date of payment, 10% accruing daily in equal amounts,
- within 91 to 180 days following the scheduled date of payment, 10% accruing daily in equal amounts,
- within 181 to 270 days following the scheduled date of payment, 30% accruing daily in equal amounts,
- within 271 to 360 days following the scheduled date of payment, 50% accruing daily in equal amounts.

12.13. The Manager is allowed not to calculate and not to publish the net asset value of the fund on certain days, if;

12.13.1. The calculation of the net asset value of that fund is delegated to the foreign fund administration agent;

12.13.2. The manager publishes in his website in advance the days for which he will not calculate the NAV-s. Moreover, those days can include only the non-working days for the foreign

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fund administration agent mentioned in the point 12.13.1, as well as Saturdays and Sundays (regardless of whether they are working days).

12.14. Period-end NAV calculation is performed according to the following rules:

- 12.14.1. The year-end NAV is the official NAV of the last working day of the year. It is based on the latest available prices for instruments as of cut off time of the last day of the year , accrued interests and fees as of the last day of the year;
- 12.14.2. The quarter-end NAV is the official NAV of the last working day of the quarter. It is based on the latest available prices for instruments as of cut off time of the last day of the quarter, accrued interests and fees as of the last day of the quarter.

13. The unit exchange procedure

13.1. The Registrar, while receiving the application from the Participant, applies the last published Fund unit redemption price to determine the redemption amount to be wired from the Fund's account. The number of the units to be issued as a result of exchange with the other pension fund (either managed by the Manager or by another pension fund manager) is based on the last available subscription price of this fund. If the Participant has to pay a redemption fee, the registrar informs him/her and mention the amount to be paid.

13.2. In case the exchange is performed between two mandatory pension funds managed by the Manager, the Manager is notified about the number of units to be exchanged and about the redemption amount in the Registrar's system.

13.3. In case the exchange is performed on behalf of a mandatory pension fund managed by a different manager, then the Manager notifies the Custodian to transfer the corresponding amount of cash from the Fund's cash account to the Registrar's account. The transfer performed within 7 business days since the date the report about unit exchange was received by the Manager. The liability is accrued and the corresponding units are frozen. The number of frozen units are reduced from the total number of units.


13.4. In the processes described above, it is the Registrar's responsibility to notify the redemption transactions that are subject to the redemption fee.

14. The procedure on the term disbursements calculation and execution

14.1. Term disbursement is a pension paid on a monthly basis through partial redemption of Fund units available in the Participant's pension account, which is divided by the months of life expectancy.

14.2. The Government defines the methodology of calculation and procedure of payment of term disbursements.

14.3. The monthly amount of term disbursements is communicated by the Registrar to the Manager based on the number of Fund units to be redeemed and the Fund unit redemption price as of current month's 1st business day. The Registrar redeems the number of units related to the monthly term disbursements and transfers the cash to the Participants by the 10th business day of the current month.

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14.4. The Registrar sends reports to the Manager on a periodic basis for the Manager to forecast its cash outflows structure for the near future and to design its short and mid-term liquidity management program.

15. Unit redemption for transfer to insurance company

15.1. If the Participant wants to receive the pension in the form of Annuity, the Participant fills in a written application to the Registrar to provide information about the selected insurance company and the annuity agreement, as well as about the Fund units redeemed and transferring information to the insurance company.

15.2. The Registrar notifies the Manager about the redemption request. Within 10 business days after receiving the application, the Registrar organizes redemption of Fund units available in the pension account of the Participant and transfer of the proceeds to the insurance company stated in the Participant's application form.

16. Change of the Manager and change of the Custodian of the Fund

16.1. The Participant is entitled to change its pension fund manager and direct his/her future funded contributions and/or existing Fund units to any other pension fund manager, unless otherwise specified in the Law.

16.2. The Custodian may at its discretion terminate agreement of Fund custody (voluntary termination of the agreement), in manner established in the law “On Investment Funds” of RA.

16.3. If the Custodian intends to terminate the agreement, it must inform the Manager, the Central Bank and the Registrar at least 90 days prior to such intention.

16.4. In the event of revocation of the Custodian's license, as well as its insolvency (mandatory termination of activities), the Central Bank must inform the Manager of such fact within 3 days upon taking the decision.

16.5. Within 60 days after receiving the information, the Manager shall enter into a custody agreement with another custodian.

16.6. After termination of the contract on custody, the Custodian shall transfer Fund assets and the relevant information to the new custodian. In the event of termination of the pension fund custody agreement, the Custodian shall continue performing its obligations defined by the Law, regulations and pension fund rules, until the time of concluding an agreement with the new custodian and transferring to it assets of the fund. Custodian shall be liable for performance of its duties until all such documents and assets have been fully transferred to the new custodian.

17. Procedure on outsourcing of certain activities


17.1. The management activity of investments in RA can't be outsourced.

To ensure more efficient management of the Fund, the Manager may outsource to a third party a certain part of its functions.

17.2. These function may include:

17.2.1. Fund's accounting and reporting, and the functions of NAV calculation,

17.2.2. Fund management of the investments outside of RA,

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17.2.3. Other functions, which are not characterized as a core investment management function and are allowed to be outsourced by the legislation of RA.

17.3. The outsourcing of certain activity by no means relieves the Manager from its responsibility for the fulfillment of particular function and/or task under the applicable law. All outsourcing contracts shall be properly disclosed to the Central Bank as defined in regulation.

18. Procedure for Manager’s own investments and divestments in the Fund

18.1. For its own investment in the Fund, the Manager transfers corresponding cash to the Registrar’s bank account, with the relevant reference number for the Fund, provided by the Registrar. The number of Fund units, which are to be allocated on behalf of the Manager is determined on the basis of the subscription price submitted to the Registrar on the date when the transfer was performed.

18.2. The Registrar transfers the issued Fund units to the account of the Manager not later than 1 business day after receiving the cash.

18.3. The Registrar provides to the Manager information about the number of Fund units transferred to the Manager account and the issue price no later than 1 business day after the Fund units issuance.

18.4. For the redemption of its own Fund units, the Manager submits to the Registrar’s system a redemption order with the number of Fund units to be redeemed. The cash amount resulting from the redemption is calculated based on last available redemption price.

18.5. When the Registrar receives the order from the Manager on redemption of the Fund units, the Registrar organizes the process on redeeming of Fund units and payment of appropriate cash within 10 business days. The Registrar informs the Manager about the transaction accordingly and presents a report to him.

18.6. No Redemption of Fund units own by the Manager is allowed, if it might cause the decrease of the Manager’s share in the Fund below the mandatory/regulatory level. The Manager’s ownership is defined as the ratio of the number of Manager’s own Fund units to the whole number of the Fund’s outstanding units.


19. Procedure for compensation of Participants

19.1. The Manager must compensate for the damage caused to the participants and/or Fund, which is due to the significant errors in NAV calculation, which include:

19.1.1. The damage caused to the Fund, as a result of overpaying the Participants during the redemption of Fund's units or not receiving necessary amount from the Participants subscribing to the Fund

19.1.2. The damage caused to the participants, as a result of receiving less amount when redeeming their Fund's units or paying more when subscribing to the Fund's units;

19.1.3. Other damages caused to the participants, not included in sub-point 19.1.1 and 19.1.2 of this point.

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19.2. The determination of the amount of damage for each participant , the notice to the participants concerned, as well as the compensation are carried out by the registrar at the expense of the Manager.

19.3. The damage is considered significant, if: its impact on NAV exceeds

19.3.1. 0.3% of NAV for pension funds,

19.3.2. The impact from the error may be less than 0.3%, but it can be considered as significant based on CBA sound opinion, considering its periodic nature or the lacking proper internal controls causing the error

20. Disclosure of information

20.1. The main mean of disclosure of information by the Manager is through publications on the website of the Manager [www.amundi-acba.am] (hereinafter the “Manager website”) and publication in the qualified national newspapers and/or in digital media.

20.2. The Manager’s website contains at least the following information regarding the Fund:

20.2.1. Financial statements, at least the last annual and last quarterly and external audit report only for annual statements. Annual financial statements and audit report should be published on public announcements website of RA (www.azdarar.am).

20.2.2. Information on the assets of the Fund, including the breakdown of Fund assets by asset class and currency, last NAV per unit, subscription and redemption prices (if applicable) and their corresponding dates,

20.2.3. Information on profitability of the Fund, as defined in Regulation 10/17 of the Central Bank.

20.2.4. Any other information, as it might be required by applicable law, regulations and internal legal documents of the Manager.

20.3. The Manager may, at its discretion, publish and disclose any other information in a manner and the scope not prohibited by the applicable law, including without limitations, disclosure and publications in promotional materials through media, electronic and printed mail, etc.

20.4. The language of disclosure of information shall be Armenian. When and as necessary, at the discretion of the Manager, the Armenian language publications and other types of disclosure can be accompanied by translations in other languages, including, without limitation, publications on foreign language versions of Manager’s website.

21. Fund type change, merger and liquidation

21.1. Fund type change, merger and liquidation of the Fund can be implemented in the manner set forth in applicable law.

22. Adoption, amendments and restatements of these Rules

22.1. Any amendments and restatements of these Rules shall be validated by the Board of Directors of the Manager, after which the Rules should be presented to the Central Bank within 10 days. Any amendments and restatements of the Rules come into force after the Registration by the Central Bank.