

**Confirmed by the Decision of Board Meeting /23.01.2019/  
of the Union of Banks of Armenia NGO  
Protocol 01/2019**

**Composed of 6 sheets  
Printed for 3 samples**

**Executive Director of the  
Union of Banks of Armenia**

----- **S. Sargsyan**

«        »                      **2019**

**Charter**  
of the  
**Office of Financial Arbitration**  
of the  
**Union of Banks of Armenia**  
New Edition

**Yerevan**

## **1. General Provisions**

1.1. Office of Financial Arbitration of the Union of Banks of Armenia (hereinafter: UBA) (hereinafter: Financial Arbitration Court of UBA), is an office that was created by UBA and is considered to be permanent operating arbitration court.

1.2. Financial Arbitration Court performs its activity in accordance with RA Law on Commercial Arbitration, Code of Civil Procedure of the Republic of Armenia, Procedure of UBA Financial Arbitration Court, this Charter and on the basis of other legal acts.

1.3. The full name of Financial Arbitration Court of UBA:

- In Armenian: «Հայաստանի բանկերի միության ֆինանսական արբիտրաժ» հիմնարկ,
- In Armenian abbreviated: «ՀԲԱ ֆինանսական արբիտրաժային դատարան»,
- In Russian: Финансовый арбитраж Союза банков Армении
- In Russian abbreviated: Финансовый арбитражный суд СБА
- In English: Financial Arbitrage of Union of Banks of Armenia
- In English abbreviated: Financial Arbitration Court of UBA

1.4. Financial Arbitration Court of UBA has a round stamp with its Armenian name. It may have blanks with its name, symbol and other means of personalization in its name.

1.5. The Address of the Financial Arbitration Court of UBA: 19a Koryun str., Yerevan, 0009:

1.6. Financial Arbitration Court of UBA is considered to be established since the confirmation of this Charter and is subject of registration in a manner defined by the law.

## **2. Competency of Financial Arbitration Court of UBA**

2.1. The Commercial disputes arising out of civil law relations are subject to jurisdiction of the Financial Arbitration Court of UBA, the settlement of which are entrusted by the Financial Arbitration Court by the parties, concluding an arbitration agreement.

2.2. In case an agreement is concluded between parties, citizens of RA including entrepreneurs, legal entities, individuals with foreign citizenship (without citizenship) and legal entities, communities and also the Republic of Armenia as prescribed accordingly can apply to the Financial Arbitration Court of UBA.

## **3. Principles of Financial Arbitration Court of UBA**

3.1. The activities of the Financial Arbitration Court of UBA are developed on the basis of legitimacy, autonomy of will, equal approach to the parties, competition, legal equality, independence and impartiality of arbiters, limitation of judicial mediation, arbiters that are being nominated, directness of case examinations and other principles.

#### **4. Property of the Financial Arbitration Court of UBA and the Manner it is Used**

4.1. Financial Arbitration Court of UBA uses and has property of its own for the realization of its regular activities as defined by RA laws and other legal acts, international contracts and agreements signed and authorized by the Republic of Armenia, this Charter and other legal acts.

4.2. The property and the financial means of the Financial Arbitration Court are used and managed by the head of the Executive Body of UBA within the boundaries of the expenditure estimate approved by UBA Board.

4.3. The property of the Financial Arbitration Court of UBA is formed of the property and financial means, arbitration fees, other funds allocated to the Office by UBA in accordance with the procedure stipulated by this Charter, as well as from other means not prohibited by law.

4.4. The financial means generated from the activities of Financial Arbitration Court of UBA in accordance with this Charter and the law are primarily directed to the provision of regular operations of the Financial Arbitration Court of UBA.

#### **5. Structure of the Financial Arbitration Court of UBA**

5.1.1. The structure and the staff list (together with UBA staff list) is confirmed by UBA Board.

5.1.2. The activity of Financial Arbitration Court of UBA is provided by the Financial Arbitration Court of UBA which is managed by the head of the Office.

#### **6. Management of the Financial Arbitration Court of UBA**

6.1. The general management of Financial Arbitration Court of UBA is performed by UBA as a founder according to its Charter and laws.

6.2. All the competencies concerning the management of the Financial Arbitration Court of UBA are realized by UBA Board and the head of Executive Body of UBA on behalf of UBA in accordance with UBA and this Charters and internal normative acts.

6.3. The competencies of UBA Board are as follows:

6.3.1. Confirmation of the Charter, Regulation, internal procedures, the amendments and additions to them as well as their new editions.

6.3.2. Confirmation of the list of arbiters of the Financial Arbitration Court of UBA, changes in it, if necessary, early termination of arbiters' competencies.

6.3.3. Confirmation of the organizational structure and staff list of Financial Arbitration Court of UBA as represented by UBA Executive Body.

6.3.4. Termination of the activity of Financial Arbitration Court of UBA.

6.3.5. Confirmation of the estimates of expenditure and performance of Financial Arbitration Court of UBA, as represented by UBA Executive Body.

6.3.6. Implementation of other competences concerning the Financial Arbitration Court of UBA as assigned by this Charter and RA law to UBA Board.

6.3.7. A number of competencies that could be authorized to UBA Executive Body.

6.4. The issues that are authorized to UBA Executive Body are as follows:

6.4.1. The head of UBA Executive Body is the chairman of UBA whereas he is elected by UBA General Meeting; the head of UBA Executive Body is the Executive Director of UBA whereas he is elected by UBA Board.

6.4.2. The head of UBA Executive Body determines the composition and size of the property attached to the Financial Arbitration Court of UBA, confirms the financial statements of the Office, realizes the management of its financial means, sets forth the estimates of expenditures and their performances for the confirmation of UBA Board.

6.4.3. Hires and fires employees of the Financial Arbitration Court of UBA.

6.4.4. Applies incentives and disciplinary measures against employees of the Financial Arbitration Court of UBA.

6.4.4<sup>1</sup>. Appoints members for Ethics Committee of the Financial Arbitration Court of UBA out of the arbiters of the Office.

6.4.4<sup>2</sup>. In case of violation of the term of the examination of a case by an arbiter as defined by the rules of the Financial Arbitration Court of UBA, or in case of accumulation of arbitration cases, the UBA Executive Body has a right to temporarily cease the procedure of case examination by the very arbiter.

6.4.4<sup>3</sup>. In case of violation of the rules of conduct by the arbiter of the Financial Arbitration Court of UBA or in case of regular violation of the term of the examination of cases defined by the regulations of the Financial Arbitration Court of UBA, the Executive Body of UBA applies to UBA Board for early termination of the arbiter authority.

6.4.5. Implementation of other competencies assigned by UBA Board or/and as defined by RA legislation, this Charter and internal procedures.

## **7. Rights and Responsibilities of the Head of Financial Arbitration Court of UBA**

7.1. The head of the Financial Arbitration Court of UBA is an arbiter, whereas it is decided by UBA Board. The head of the Financial Arbitration Court of UBA:

7.1.1. Leads and manages the current activity of the Financial Arbitration Court of UBA except for the issues which are reserved for the competency of UBA in accordance with the law and this Charter.

7.1.2. Realizes task distribution among Office employees.

7.1.3. Participates in discussions of draft legislative changes related to arbitration.

7.1.4. Supervises the arbiters to meet their deadlines as defined by the regulation of Financial Arbitration Court of UBA.

7.1.5. Organizes the study and sum up of the practice of arbitration proceedings, conducting statistics of cases examined at the Financial Arbitration Court of UBA.

7.1.6. Executes other competencies deriving from this charter, the regulations of the Financial Arbitration Court of UBA and internal procedures.

7.2. The head of the Financial Arbitration Court of UBA is legally liable for property damage caused to UBA and the Financial Arbitration Court of UBA as a result of its illegal activities. Termination of the competencies of the head of the Financial Arbitration Court of UBA cannot be a ground for not fulfilling the obligations to compensate the material damages caused.

## **8. Arbiters of the Financial Arbitration Court of UBA**

8.1. Arbiters of the Financial Arbitration Court of UBA may be individuals with higher legal education (master's degree), at least three years of general work experience in financial-banking or legal consultancy, or persons with actual experience in judicial activity.

8.2. The arbiter of the Financial Arbitration Court of UBA cannot be an arbiter of another arbitration court at the same time.

8.3. The UBA Board may define other criteria and procedures for the selection of arbiters of the Financial Arbitration Court of UBA.

## **9. Termination of the Activity of the Financial Arbitration Court of UBA**

9.1. The activity of the Financial Arbitration Court of UBA is terminated in accordance with the legislation and this Charter.

9.2. The activity of the Financial Arbitration Court of UBA is considered to be terminated from the very moment the UBA Board decision enters into force.