

**Registered with
the Central Bank of Armenia**

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**CENTRAL DEPOSITORY OF ARMENIA
OPEN JOINT STOCK COMPANY**

EMERGENCY RESPONSE REGULATION

Yerevan
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1. Common Provisions

- 1.1. This Regulation shall define the activities plan for “Central Depository of Armenia” ojsc (hereinafter referred to as “the Depository”) in emergency situations, their sequence and responsibilities of the persons in charge.
- 1.2. Concepts used in this Regulation shall have the meaning as specified below:
 - 1.2.1. **Emergency situation** shall mean the situation, caused by internal and external factors, which impedes or may impede natural continuity of the Depository’s business. The examples of emergency situations are natural disasters, fire, robbery, failure of supporting infrastructure, breakdown of hardware and software facilities, failure of the network servicing the Depository trading, damages caused to the Depository by disclosure of confidential information, and other situations, which may hinder the Depository’s regular activities.
 - 1.2.2. **Emergency response Group** shall mean the group appointed and managed by the Chief Executive Officer of the Depository (hereinafter referred to as “CEO”), operating in emergency situations and adopting the relevant decisions.
 - 1.2.3. **Securities Settlement System** (hereinafter referred to as “the System”) shall mean the complex of administrative, technical and legal measures aimed at fulfilling and guaranteeing fulfilment of mutual obligations accrued from the transactions in securities, in order defined by the Depository’s “Rules on Securities Settlement System”.
 - 1.2.4. **Securities settlement system member** (hereinafter referred to as “the Member”) shall mean the person, who is eligible for membership to securities settlement system, according to the RA Law “On Securities Settlement System”, and has concluded the relevant contract with the Depository, according to the “Regulation on Securities Settlement System”. Rights and liabilities of the Depository and the Member, as well as the requirements thereto, operational grounds of the System are defined in the “Regulation on Securities Settlement System”.
 - 1.2.5. **Extreme situation** shall mean situation emerged as a result of continuous emergency situation, having a long-term nature and being larger in scale.
 - 1.2.6. Other terms used in this policy shall have the meanings defined by the RA Law “On Securities Market” (hereinafter referred to as “the Law”) and the Depository Rules.

2. Framework of Activities Under the Emergency Response Regulation

- 2.1. This Regulation shall be implemented, if emergency situations occur in the Depository at working hours.
- 2.2. Special actions during emergency situations arisen in non-working hours shall be taken only if they directly threaten the Depository’s activity and/or may become long-lasting and continue during subsequent working hours.

3. Creation of Emergency Response Group

- 3.1. The Emergency Response Group (hereinafter referred to as “the Group”) shall be created by the Depository CEO order after this Regulation coming into force.
- 3.2. The CEO shall lead the Group and appoint Group members consisting of the Heads of the Depository’s departments, as well as Head of Security Service, or if there is no such employee, other employee in charge of similar duties, as well as other persons upon decision of the CEO.
- 3.3. In emergency situations the Group shall follow main principles of the Depository’s “Business Continuity Policy” and sequence of actions, as stated in this Regulation.
- 3.4. The Group shall act during entire emergency situation, as well as continue its activities

during recovery works after the emergency situation, upon necessity.

- 3.5. Upon necessity and the relevant decision of the Depository CEO, the Depository can conclude contracts with organizations providing police, fire-fighting and insurance services, in order defined by the RA Legislation.

4. Sequence of Operations in Emergency Situations

- 4.1. Immediately after the emergency situation occurs, each employee must inform the direct manager and the Depository CEO accordingly.
- 4.2. After being informed about the emergency, the Depository CEO shall gather the Group and evaluate the existing situation.
- 4.3. Sources and reasons of emergency situation should be revealed (except for natural disasters and emergency situations caused by Acts of God) as a result of assessment.
- 4.4. Depending on character of the situation and the time required for its elimination, the Group shall make written or verbal instructions on subsequent operations.
- 4.5. During natural disasters, fires and other Acts of God or other situations, reaching large scales, when regular activities of the Depository become impossible to ensure, the Group shall announce temporary termination of regular activities and shall organize evacuation of the Depository's employees to a safer place, as well as relocate essential reserve copies of electronic data and, if possible, other items, necessary for the Depository's further natural activities, to a safer place.
- 4.6. During fire, accident or other natural disasters along with the operations, mentioned in point 4.5 of this Regulation, the Depository security service employee or other employee having similar responsibilities or appointed by the CEO, shall immediately call fire-fighting service or other relevant emergency service and meanwhile shall be obliged to use the Depository's fire-fighting equipment, if possible.
- 4.7. In cases of large-scale emergency situations, when there is threat to life and health of the Depository employees, during realization of its operations the Group shall follow the priority principle of ensuring safety of the Depository employees' lives and health.
- 4.8. If emergency situation is local, the Group shall ensure security at the place of emergency. In this case the Depository employees, authorized by the Group, can participate in protection and relocation of the Depository property, hardware, reserve copies of electronic data and other important assets to a safer place.
- 4.9. In the event of emergency situation the relevant protocol shall be drawn up on opening special premises and withdrawing documents, information, property and other assets and their relocation to a safer place.
- 4.10. In order to avoid emergency situations caused by power supply failure the Depository should have different sources of power supply (one of which must be reserve) and/or local sources: generators, batteries, sufficient for ensuring regular activities of the Depository.
- 4.11. If the Depository's main source of power supply fails, either the reserve source shall be immediately applied or local sources shall be switched on automatically. In case of using local sources of power supply, safety rules of using such equipment must be observed.
- 4.12. In such emergency situations, when key staff of the Depository becomes incapacitated, duties thereof shall be assigned to other employee(s) according to the Depository CEO order.
- 4.13. In case of other emergencies the Group shall be entitled to act according to current evaluation of the situation, preserving mail principles of this Regulation.
- 4.14. After the end of emergency situation the Group shall draw up the relevant protocol of implemented measures and actions, signed by all the Group members and approved by the Head of the Group.
- 4.15. Other special procedures and projects on emergency response may be adopted by the Depository CEO for more coordinated and prompt activities during emergency situations.

5. Order of Computer System Emergency Response

- 5.1. In case of any technical and functional failures related to computer system, network administrator must immediately inform the Head of computer service and the CEO.
- 5.2. After being informed about the situations, the Depository CEO shall assess present situation and its consequences based on the problems, introduced by network administrator, and organize activities of the Group in case of necessity.
- 5.3. In the event of hardware and software problems with computer system Head of computer service or network administrator shall submit to the Group the reasons of problems occurred and options for their solution.
- 5.4. Based on the information received and the situation itself the Group shall decide the best solution of the problem and approve the necessary action plan.
- 5.5. In case of physical damage, failure or down state of the servers and other computers, servicing the Depository computer network, the relevant employee of the Depository shall substitute it by reserve servers and computers, previously prepared for quick response in such situations.
- 5.6. During the time when reserve equipment operates, primary equipment should be repaired or similar equipment should be urgently obtained or leased if necessary, in case the restoration is impossible due to physical damage.

6. Operations During Settlement System Failure

- 6.1. In case of the System or CBANet computer network temporary failure, the Member shall submit hard copies of the orders to the Depository, as defined in “Regulation on Securities Settlement System”. In case of temporary failure of the System’s CBANet computer system, the Depository shall notify all the System Members accordingly, in advance, prior to submitting the orders in hard copies as specified in this point.
- 6.2. The Depository shall ensure integrity of software, hardware and administrative measures, which allows to receive orders, defined in “Regulation on securities settlement system”, from the System Members, perform settlement and present other documents in case if the abovementioned measures fail.
- 6.3. The Depository shall ensure the relevant technical measures to avoid possible breakdown. Such measures shall protect components and hardware of settlement system against unforeseen cases (natural disasters, physical damage of real estate and equipment, illegal use of data and equipment).
- 6.4. The Depository shall develop the procedures and action plans in unforeseen cases for IT, Accounting and Settlement personnel. The Depository shall also take technical, organizational and other measures to keep the System and its components safe from connection failure, bad will and human error.
- 6.5. In case of emergency caused by technical failure of the System, operations defined in this Regulation shall be performed.

7. Action Plan in Extreme Situations

- 7.1. Extreme situation can occur when the Depository building, equipment (both main and reserve) are completely damaged, main software, copies thereof, originals and copies of the electronic databases are damaged severely, the Depository key staff is completely or mostly absent or become incapacitated and in other cases.
- 7.2. In extreme situation members of the Depository Supervisory Board may also be involved in composition of the Group, as appropriate.
- 7.3. In extreme situations every employee of the Depository shall be managed and guided by the decisions of the Group, operating in extreme situations.

- 7.4. After evaluation of the extreme situation and clarification of the period for solution thereof, the Group shall draw up an action plan and inform on it all the Depository employees and other persons and public, as appropriate.

8. Organization and Implementation of Recovery Activities

- 8.1. After the end of emergency, as well as extreme situation, the Group shall ensure recovery works, aimed at recovery of the Depository's regular activities, in particular:
 - 8.1.1. Important documents, damaged equipment, back-ups and other necessary items shall be recovered (or replaced in case of evacuation) within shortest possible period of time.
 - 8.1.2. If the premises, equipment, servers, computers and other equipment of the Depository were completely damaged during the emergency situation, their replacement should be ensured in shortest possible time through procurement or leasing.
 - 8.1.3. After recovery of electricity power supply, reserve power supply should be switched to the primary one as defined in point 4.11 of this Regulation.
 - 8.1.4. In the event of absence or disability of key staff, selection and hiring of new employees shall be organized during activity of persons, mentioned in point 4.12 of this Regulation.
 - 8.1.5. The Depository's servers and internal network shall be recovered in compliance with point 5.6 of this Regulation.
- 8.2. Other recovery measures shall be undertaken in order and form, defined by the Head of the Group.

9. Scope of Responsibilities

- 9.1. In emergency situations each employee of the Depository shall act in conformity with the principles, set forth by this Regulation.
- 9.2. The CEO shall be responsible for organization and realization of measures prescribed by this Regulation.
- 9.3. In emergency situations members of the Group, appointed by the CEO, shall be available and promptly arrive to the place, appointed by the CEO.
- 9.4. During emergency (as well as extreme) situation all the employees of the Depository shall fulfill both written and verbal instructions by the Head of the Group.
- 9.5. Heads of the Depository's departments shall be obliged to acquaint subordinate employees (both currently working and newly appointed) with the principles and measures prescribed by this Regulation, as well as each amendment made therein.
- 9.6. The Employees of the Depository shall properly familiarize themselves with this Regulation and perform the measures prescribed by this Regulation.

10. Other Provisions

- 10.1. This Regulation shall be approved by the Depository Supervisory Board and become effective upon being registered by the Central Bank of Armenia.
- 10.2. All the amendments and addenda to this Regulation shall be approved by the Depository Supervisory Board and become effective after registration with the Central Bank of Armenia.

**Approved by
Resolution N3 of Supervisory Board**

“Central Depository of Armenia” ojsc

Johan Frdholm

June 13, 2008
Yerevan