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"TRANSLATION CENTRE OF THE MINISTRY OF JUSTICE
OF THE REPUBLIC OF ARMENIA"

STATE NON-COMMERCIAL ORGANISATION

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DIRECTOR

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BOARD OF THE CENTRAL BANK
OF THE REPUBLIC OF ARMENIA

3 February 2017

No 32-N

DECISION

ON APPROVING THE "PROCEDURE FOR LICENSING PAWN SHOP ACTIVITY IN
THE REPUBLIC OF ARMENIA" AND THE "FORM OF THE LICENCE FOR PAWN
SHOP ACTIVITY" AND REPEALING DECISION OF THE BOARD OF THE CENTRAL
BANK OF THE REPUBLIC OF ARMENIA No 738-N OF 19 DECEMBER 2006

With the view to clarifying the procedures for licensing pawn shop activity;

Taking as a basis part 4 of Article 10 of the Law of the Republic of Armenia "On licensing", and Article 13 of the Law of the Republic of Armenia "On pawn shops and pawn shop activity";

Guided by point "e" of Article 20 of the Law of the Republic of Armenia "On the Central Bank of the Republic of Armenia", Article 16 and part 1 of Article 72 of the Law of the Republic of Armenia "On legal acts", the Board of the Central Bank of the Republic of Armenia hereby ***decides:***

1. To approve:
 - 1.1. The "Procedure for licensing pawn shop activity in the Republic of Armenia", pursuant to Annex 1 (attached);
 - 1.2. The "Form of the licence for pawn shop activity", pursuant to Annex 2 (attached).
2. This Decision shall enter into force on the tenth day following the day of its official promulgation.
3. To repeal Decision of the Board of the Central Bank of the Republic of Armenia No 738-N of 19 December 2006 "On approving the "Procedure for licensing pawn shop activity in the Republic of Armenia" and the "Form of the licence for pawn shop activity"" from the day of entry into force of this Decision.

**Governor of the Central Bank
of the Republic of Armenia**

A. Javadyan

9 February 2017

Yerevan

Annex 1

Approved

*by Decision of the Board of the Central
Bank of the Republic of Armenia
No 32-N of 3 February 2017*

PROCEDURE

FOR LICENSING PAWN SHOP ACTIVITY IN THE REPUBLIC OF ARMENIA

CHAPTER 1.

GENERAL PROVISIONS

1. This Procedure shall prescribe the procedure for licensing pawn shop activity in the territory of the Republic of Armenia.
- 1.1. This Procedure shall prescribe requirements for submitting information on conviction of participators holding a voting right of 10 percent and more and on the manager (director).

(point 1.1 supplemented by No 166-N of 22 September 2023)

CHAPTER 2.

LICENSING OF PAWN SHOP ACTIVITY

2. The applicant shall submit the following documents to the Central Bank of the Republic of Armenia (hereinafter referred to as "the Central Bank") in order to obtain a licence for pawn shop activity (hereinafter referred to as "the licence"):
 - (1) an application, pursuant to Annex 1 to this Procedure;
 - (2) information on the applicant, pursuant to Annex 2 to this Procedure;
 - (3) carbon copy of the certificate of the right of ownership, lease (sub-lease) or gratuitous use of the pawn shop premises (where available, also of the premises where property that deemed as large items is pledged (under custody)). In case of lease (sub-lease) or gratuitous use of the premises (where available, also of the premises for keeping large items), it is necessary to also submit the carbon copy of the lease (sub-lease) contract or of the contract on gratuitous use; moreover, in case of sub-lease, also the carbon copy of the principal lease contract;
 - (4) general lending conditions approved by the competent management body of the applicant (in 2 copies);
 - (5) the declaration on having a fireproof safe (safes) in a room separated with walls (cover) of reinforced concrete in the premises of the pawn shop for keeping pledged property (property under custody) that is small items, pursuant to Annex 3 to this Procedure, or the carbon copy of the contract on keeping the indicated property in any bank operating in the territory of the Republic of Armenia, concluded between the indicated bank and the applicant;

- (6) carbon copy of the contract on providing the security of the pawn shop premises (where available, also the premises for keeping large items as well) with security and alarm system, concluded between the applicant and the relevant organisation;
- (7) the declaration on the availability of an employee (employees) of the pawn shop carrying out guard service at working hours and noticeably distinct with his or her (their) uniform for the purpose of protecting the pawn shop premises by own forces, pursuant to Annex 4 to this Procedure, or the carbon copy of the contract on ensuring the security in the pawn shop premises, concluded with the Police or a licensed guard group. Where the applicant envisages to carry out pawn shop activity at night hours (from 22:00 to 06:00) as well, the applicant shall submit the carbon copy of the contract on ensuring the security in the pawn shop premises at night hours, concluded with the Police or a licensed guard group, according to which the pawn shop premises are to be guarded by the police officer or a security guard at night hours. Where the pawn shop envisages to carry out pawn shop activity at night hours after the Central Bank issues a licence for pawn shop activity, it shall be submit the carbon copy of the contract on ensuring the security in the pawn shop premises, concluded with the Police or a licensed guard group, to the Central Bank 10 days before carrying out pawn shop activity at night hours;
- (8) the carbon copy of the contract concluded with the "911" Service of the Crisis Management Centre of the Ministry of Emergency Situations of the Republic of Armenia to the effect that the automatic fire alarm system of the pawn shop is connected to the "911" Service of the Crisis Management Centre of the Ministry of Emergency Situations of the Republic of Armenia (where the given service is available in the given premises). Where the given service is not available in the given premises, an operable round-the-clock automatic fire alarm system must be available in the premises;

- (9) carbon copy of the contract concluded with an insurance company operating in the territory of the Republic of Armenia on insuring the property accepted as pledge and for custody against natural disasters, fire, robbery, theft and banditry, as well as the document attesting the fact of payment of the insurance premium;
- (10) statement of information on the absence of tax and other mandatory overdue payment liabilities prescribed by law as of the last day of the last reporting period;
- (11) report on participators holding a voting right of 10 percent and more and on the manager (director), pursuant to Annex 7 to this Procedure.

(point 2 amended, supplemented by No 300-N of 26 December 2017, supplemented by No 166-N of 22 September 2023)

- 3. All the documents indicated in point 2 of this Procedure shall be submitted to the Central Bank on an electronic carrier, by registered mail or by entering it with the Central Bank in person.
- 4. The Board of the Central Bank shall — within a period of 30 days from the moment of receiving all the documents indicated in point 2 of this Procedure — render a decision on granting the licence or shall reject the application submitted. The Central Bank shall — within a three-day period from the moment the Board of the Central Bank renders a decision on granting or rejecting the licence — provide the copy of the decision to the applicant in person or send it via post. Where a decision on granting the application for obtaining a licence is rendered, the licence shall be granted to the applicant within a period of one month after making the first annual payment of the state duty defined by the Law of the Republic of Armenia "On state duty" and submitting the document certifying the payment. The licence shall be deemed issued on the day of submitting the document certifying the payment of the first state duty to the Central Bank. The Central Bank shall provide the licensed person with a licence

according to the form approved by the Board of the Central Bank.

5. Where amendments have been made to the information in the application and/or the attached documents while considering the application, the applicant shall also submit the amended information before a decision on granting or rejecting the application is rendered by the Central Bank. Where the submitted application of the attached documents are incomplete, the applicant shall have the right to submit the required documents before a decision on granting or rejecting the application is rendered by the Central Bank. In the cases indicated in this point, the application shall be deemed as submitted to the Central Bank on the day of submitting the amended information and/or required documents to the Central Bank.
6. The Board of the Central Bank shall reject the submitted application upon the grounds prescribed by the Law of the Republic of Armenia "On pawn shops and pawn shop activity" (hereinafter referred to as "the Law"). In case of rejecting the application, the grounds for rejecting the application shall be indicated in the decision of the Board of the Central Bank.
7. In case the application is rejected or granted, the documents submitted to the Central Bank shall not be returned.
8. After obtaining the licence issued by the Central Bank, in case of actually commencing activity, the pawn shop must submit a declaration to the Central Bank in advance on commencing the pawn shop activity, pursuant to Annex 5 to this Procedure.
9. In case of rejecting the licence application, the person being licensed shall have the right to submit a new application for license, as prescribed by this Chapter.
- 9.1. In case of amendment to the information defined by Annex 7, the pawn shop shall submit it to the Central Bank within a period of 3 days after being informed about the relevant amendment.

(point 9.1 supplemented by No 166-N of 22 September 2023)

10. In order to carry out pawn shop activity in a place other than that indicated in the licence for pawn shop activity, it is necessary to obtain a separate licence, in compliance with this Procedure.

CHAPTER 3.

REFORMULATION OF THE LICENCE FOR PAWN SHOP ACTIVITY

11. In case of change of the name, place of business (including the place for keeping large item, where available) of the pawn shop, as well as the registered office of the legal person (in case of an individual entrepreneur — the place of record-registration), the pawn shop shall be obliged to submit an application for reformulating the licence to the Central Bank, pursuant to Annex 1 to this Procedure.
12. In case of change of the name of the pawn shop or the registered office of the legal person (in case of an individual entrepreneur — the place of record-registration), the following documents shall be submitted to the Central Bank along with the application for reformulation:
 - (1) amended versions of the information submitted in the documents required by sub-point 2 of point 2 of this Procedure;
 - (2) lending conditions, in case of change;
 - (3) state duty payment receipt;
 - (4) the original of the licence.
13. In case of change of the place of business (including of the place for keeping large items, where available) of the pawn shop, the following shall be submitted along with the application for reformulation to the Central Bank:

- (1) the documents required by sub-points 2, 3, 5, 6, 7, 8 and 9 of point 2 of this Procedure;
 - (2) lending conditions, in case of change;
 - (3) state duty payment receipt;
 - (4) the original of the licence.
14. The Board of the Central Bank shall — within a period of 30 days from the moment of receiving the relevant documents indicated in this Chapter — render a decision on reformulating the licence or shall reject the application submitted. The Central Bank shall — within a three-day period from the moment the Board of the Central Bank renders a decision on granting or rejecting the application for reformulating the licence — provide the copy of the decision and the new copy of the licence to the applicant in person or send it via post.
15. In case of rejecting the application for reformulating the licence for pawn hop activity, the grounds for rejecting the application shall be indicated in the decision of the Board of the Central Bank.

CHAPTER 4.

PROVISION OF THE DUPLICATE OF THE LICENCE FOR PAWN SHOP ACTIVITY

16. Where the licence has become unusable (is damaged, torn, has become illegible, etc.), is destroyed or lost, the pawn shop shall submit an application to the Central Bank to obtain the duplicate thereof and to publish information regarding its loss on the website of the Central Bank. The reason for obtaining a duplicate of the licence shall be indicated in the application. The original of the

licence (in case of becoming unusable), as well as the receipt of the payment of the state duty for obtaining the duplicate of the licence shall be attached to the application.

17. The Central Bank shall hand over the duplicate of the licence that is lost or has become unusable or been destroyed to the pawn shop within 10 working days following the day of submitting all the documents prescribed by point 16 of this Procedure to the Central Bank.
18. The note "Duplicate" shall be made in the right upper corner of the duplicate of the licence.
19. Where the lost licence is found, the pawn shop shall return the found licence to the Central Bank.

CHAPTER 5.

SUSPENSION AND TERMINATION OF THE LICENCE FOR PAWN SHOP ACTIVITY

20. The licence for pawn shop activity shall be suspended or terminated upon the grounds prescribed by the Law.
21. The pawn shop shall submit an application, pursuant to Annex 6 to this Procedure, to the Central Bank for suspending or terminating the licence for pawn shop activity on the basis of the application of the licensed person.
22. The Board of the Central Bank shall — within a period of 30 days from the moment of receiving the application prescribed by point 21 of this Procedure — render a decision on suspending or terminating the licence or shall reject the application submitted. The Central Bank shall — within a three-day period from

the moment the Board of the Central Bank renders a decision on granting or rejecting the application — provide the copy of the decision to the applicant in person or send it via post.

23. In case of rejecting the application prescribed by point 21 of this Procedure, the grounds for rejecting the application shall be indicated in the decision of the Board of the Central Bank.
24. In case the licence for pawn shop activity terminates, the original of the licence shall be returned to the Central Bank.

CHAPTER 6.

TRANSITIONAL PROVISIONS

(Chapter supplemented by No 166-N of 22 September 2023)

25. Pawn shops shall be obliged to submit a report on conviction or absence thereof of participators holding a voting right of 10 per cent and more and on the manager (director) to the Central Bank before 31 December 2023, pursuant to Annex 7 to this Procedure. Moreover, the conviction must have arisen in the period after 27 July 2019.

Annex 1
to the "Procedure for licensing pawn shop
activity in the Republic of Armenia"
approved by Decision
of the Board of the Central Bank
of the Republic of Armenia
No 32-N of 3 February 2017

Governor of the Central Bank of the Republic of Armenia:

APPLICATION

Dear _____,

I hereby request:

- to grant a licence for pawn shop activity;
- to reformulate the licence for pawn shop activity in relation to:
- name change of the pawn shop
(_____);
(date of registration)
- change of the place of business (including of the place for keeping large items, where available) of the pawn shop;
- registered office of the legal person/place of record-registration of the individual entrepreneur

(_____);
(date of registration)

I ascertain that the information contained in the submitted documents is reliable and complete. I understand that the false submission or omission of any fact may entail criminal or administrative liability prescribed by law.

Name, surname of the competent person of the management body of the person being licensed

Signature _____

_____ day/month/year

Annex 2

**to the "Procedure for licensing pawn shop
activity in the Republic of Armenia"
approved by Decision of the Board
of the Central Bank of the Republic
of Armenia No 32-N of 3 February 2017**

Information on the applicant

1. Name of the applicant (name, surname in case of an IE):
2. Taxpayer identification number:
3. State registration/record-registration number and date:
4. Registered office of the applicant:
5. Telephone number, electronic mail, official electronic mail address, where available, of the registered office of the applicant:
6. Place of business of the applicant:
7. Telephone number, electronic mail address of the place of business of the applicant:
8. Name, surname, father's name of the director: (to be filled in for a legal person)
9. Passport series and number of the director, and in case of absence of a passport — details of another identification document: (to be filled in for a legal person)
10. Public services number (social security number) of the director or the number of the statement of information on not having obtained a public services number: (to be filled in for a legal person)
11. Other information

I ascertain that the information contained in this document is reliable and complete. I understand that false submission of any document or information shall entail criminal and administrative liability prescribed by law.

I agree to inform the Central Bank about any change to the above-indicated information submitted by me.

Name, surname of the competent person of the management body of the person being licensed

Signature _____

day/month/year

Annex 3

**to the "Procedure for licensing pawn shop
activity in the Republic of Armenia"
approved by Decision of the Board
of the Central Bank of the Republic
of Armenia No 32-N of 3 February 2017**

Declaration

On having a fireproof safe (safes) in a room separated with walls (cover) of reinforced concrete in the premises of the pawn shop for keeping pledged property (property under custody) that is small items

We hereby declare that _____
(name, organisational and legal form of the pawn shop)

the pawn shop has a room separated with walls (cover) of reinforced concrete and a fireproof safe (safes) in the premises of the pawn shop for keeping pledged property (property under custody) that is small items.

Name, surname of the competent person of the management body of the person being licensed

Signature _____
day/month/year

Annex 4

**to the "Procedure for licensing pawn shop
activity in the Republic of Armenia"
approved by Decision of the Board
of the Central Bank of the Republic
of Armenia No 32-N of 3 February 2017**

Declaration

(On the availability of an employee (employees) of the pawn shop carrying out guard
service)

We hereby declare that _____
(name, organisational and legal form of the pawn shop)

the pawn shop will ensure the security of the pawn shop premises at working hours
through an employee (employees) of the pawn shop noticeably distinct with his or her
(their) uniform.

Name, surname of the competent person of the management body of the person being
licensed

Signature _____ day/month/year

Annex 5

**to the "Procedure for licensing pawn shop
activity in the Republic of Armenia"
approved by Decision of the Board
of the Central Bank of the Republic
of Armenia No 32-N of 3 February 2017**

" _____ " Pawn Shop

Licence No: _____

Address: _____

Postal address _____

Telephone number _____

STATEMENT

We hereby inform you that the pawn shop commences its activity. from _____ / _____ / _____ / _____
(day) (month) (year) (time)

Name, surname of the competent person of the management body of the person being licensed

Signature _____
day/month/year

Annex 6

**to the "Procedure for licensing pawn shop
activity in the Republic of Armenia"
approved by Decision of the Board
of the Central Bank of the Republic
of Armenia No 32-N of 3 February 2017**

Governor of the Central Bank of the Republic of Armenia:

APPLICATION

Dear _____,

I hereby request:

- to suspend the licence for pawn shop activity.

(Indicate the reason for suspending the licence, the size of the credit portfolio as of the day of submitting the application, the proposed time period of suspension)

_____.

- to terminate the licence for pawn shop activity.

(Indicate the reason for terminating the licence, the size of the credit portfolio as of the day of submitting the application)

I ascertain that the information contained in the submitted documents is reliable and complete. I understand that the false submission or omission of any fact may entail criminal or administrative liability prescribed by law.

Name, surname of the competent person of the management body of the person being licensed

Signature _____ day/month/year

Annex 7

**to the "Procedure for licensing pawn shop
activity in the Republic of Armenia"
approved by Decision of the Board
of the Central Bank of the Republic
of Armenia No 32-N of 3 February 2017**

Name of the applicant/pawn shop _____

REPORT

**ON PARTICIPATORS HOLDING A VOTING RIGHT OF 10 PER CENT AND
MORE AND ON THE MANAGER (DIRECTOR) OF THE PAWN SHOP**

1. Persons holding a voting right of 10 per cent and more					
Name (Name, surname)	TIN (passport details)	PSN	Place of business (place of residence)	Size of holding	Does the person have conviction for an intentionally committed crime? If "yes", provide details, including on the conviction having been cancelled or expunged as prescribed by law)
2. Information on the manager (director) of the pawn shop					
Name, surname	Passport details	PSN	Place of residence		Does the person have conviction for an intentionally committed crime? If "yes", provide details, including on the conviction having been cancelled or expunged as prescribed by law)

We ascertain that the information submitted in this document is reliable and complete.

We have been informed and we have informed the persons submitted in this Report that the false submission of information shall entail liability prescribed by law.

We inform that we have received the consent of the persons submitted in this Report to the effect that:

a. in order to verify the authenticity of the information provided in this Statement of Information, the Central Bank may apply to the relevant competent bodies, by maintaining the confidentiality of the information;

b. the pawn shop will be informed in case of change of the information submitted by this Statement of Information within 10 working days after it takes place.

We undertake to inform the Central Bank in case of change of the information submitted by this Report within 3 working days after it becomes known.

Name, surname of the manager _____
(director) of the [awn shop

Date: _____
day/month/year

Signature: _____

(Annex supplemented by No 166-N of 22 September 2023)

(Procedure amended, supplemented by No 300-N of 26 December 2017, supplemented by No 166-N of 22 September 2023)

Annex 2

*Approved by Decision
of the Board of the Central Bank
of the Republic of Armenia
No 32-N of 3 February 2017*

Issued by Decision of the Central Bank of the Republic of Armenia

No _____ A of _____

(series and number of the licence)

**CENTRAL BANK
OF THE REPUBLIC OF ARMENIA**

**LICENCE
FOR PAWN SHOP ACTIVITY**

Issued on _____
(date of issuing the licence)

for organising a pawn shop in the premises located at

(name of the legal person/name, surname of the individual entrepreneur, place of carrying out pawn shop activity)

registered at _____
(registered office of the legal person/place of record-registration of the individual entrepreneur)

Licence issued for an indefinite term.

Governor of the Central Bank
of the Republic of Armenia

(signature) (name, surname)

Seal

Կազմված է տասներկու թերթից:
Comprises twelve sheets.

