MEMORANDUM OF UNDERSTANDING
between the
CENTRAL BANK OF THE REPUBLIC OF ARMENIA
and the
KOMISJA NADZORU FINANSOWEGO

Central Bank of the Republic of Armenia, on one side,

and

Komisja Nadzoru Finansowego - Polish Financial Supervision Authority, Republic of Poland, on the other,

considering the growing international activity on financial markets,

and acknowledging the resulting need for cooperation between relevant supervisory authorities, which cooperation is to be a means aimed at enhancing the effectiveness of the tasks which are performed by the said Authorities in accordance with relevant legal regulations,

resolve to conclude the following Memorandum of Understanding:

I. Definitions:

For the purpose of this Memorandum, the terms defined below shall have the following meaning:

(a) "Authority" shall mean:
  (i) Central Bank of the Republic of Armenia in the case of the Republic of Armenia,
  (ii) Komisja Nadzoru Finansowego – the Polish Financial Supervision Authority in the case of the Republic of Poland;

(b) "Application Accepting Authority" shall mean the Authority to which the application is submitted in compliance with provisions of Article IV;

(c) "Applying Authority" shall mean the Authority that submits the application in compliance with provisions of Article IV;

(d) "supervised entities" shall mean the entities over which the Authority performs public supervision, pursuant to relevant legal regulations;

(e) "legal regulations" shall mean the provisions of acts, ordinances or other legal sources, binding in the Republic of Armenia or in the Republic of Poland, which provisions specify, in particular, the rights and the obligations of the Authorities.

II. Scope of Cooperation

1. The Authorities shall, subject to the legal regulations applicable in the two countries, cooperate by sharing information on material developments affecting either the Armenian or the Polish financial market, as well as views on regulatory and supervisory issues. The cooperation between the Parties may consist, inter alia, in exchanging information on legal regulations in force in Armenia or in Poland, on the implementation thereof, on the approved standards of activity performed by the supervised entities and on the standards of supervision over those entities.

2. Authorities have agreed to exchange any information in English.

3. For the purpose of implementation of the Memorandum, the Authorities may:

(a) exchange copies of legal regulations;

(b) organize periodically joint research projects, seminars, trainings, conferences, study visits and working meetings on issues interesting to both Parties;
(c) assist each other in training specialists; and
(d) assist each other in the establishment of contacts with financial institutions of the two countries.

4. In order to implement the provisions of this Memorandum of Understanding, within the scope and conditions set in this Memorandum, the Authorities may benefit from available domestic and international aid programs, with a possible consideration of additional terms of cooperation, each time agreed by the Authorities.

5. The provisions hereof shall not limit the Parties' ability to undertake cooperation in the scope and forms other than those stipulated herein, as long as such cooperation is permitted by legal regulations, and the Parties have jointly expressed a need for such cooperation to be established.

6. When executing the provisions hereof, the Parties shall take every effort to ensure the plausibly greatest degree of mutual usefulness and shall also strive to avoid any misunderstanding. Should a need arise, the Parties shall undertake immediate consultations in order to enhance the effectiveness and the correctness of the execution of the provisions hereof.

III. Character of Memorandum's Provisions

This Memorandum shall not modify or substitute the legal regulations in force in the countries in which the Parties perform their public tasks. The Memorandum shall not provide a Party hereto, directly or indirectly, with any rights to demand the other Party to behave in a specific, unconditional or executable manner.

IV. Provision of Assistance

1. The provision of assistance shall take place upon a written application of one of the Authorities. The application for the provision of assistance may relate only to the performance of supervision-related tasks by the Authorities and shall not violate or go beyond the legal regulations binding for the Applying Authority or the Application Accepting Authority. The provision of assistance may take place with the use of means available to the Application Accepting Authority, with the possible partial or total reimbursement of the costs of assistance as stipulated in Art. IX.

2. Application for the provision of assistance may include a request to make available information or document in the possession of the Application Accepting Authority to the Applying Authority, or may relate to other situations, as long as the provision of assistance is permitted under relevant legal regulations.

3. When submitting the application, the Applying Authority specifies in particular:
(a) the purpose for which the application for assistance is submitted;
(b) the expected form of assistance (transfer of information, access to a document, other forms of support);
(c) detailed scope of assistance (type of information, specification of documents);
(d) justification behind the need for assistance;
(e) information on the application's urgency;
(f) other information the Applying Authority deems relevant.

4. Application for the provision of assistance shall be submitted to the Application Accepting Authority's contact point, as specified by the provisions hereof.

5. The Application Accepting Authority shall review the application without unnecessary delay, with the information referred to in paragraph 3 letter (e) above taken into consideration.

6. The Application Accepting Authority shall refuse to provide assistance, in whole or in part:
(a) if the application for the provision of assistance has been submitted in violation of the provisions hereof,
(b) if the provision of assistance remains outside the scope hereof, or
(c) if the provision of assistance is prevented by relevant legal regulations or if it contradicts the public interest of the country of the Application Accepting Authority.

7. Should the provision of assistance be refused in whole or in part, the Application Accepting Authority shall specify the reasons for which the provision of assistance was denied.

8. If assistance cannot be provided for reasons specified in paragraph 6 above, the Application Accepting Authority shall undertake efforts aimed at satisfying the application in a different way, if the powers at its disposal so allow. To this end, the Application Accepting Authority shall previously consult the Applying Authority.

V. Taking Advantage of Assistance

The Applying Authority shall use the assistance to it provided only for the needs specified in the application for the provision of assistance. When providing assistance, the Application Accepting Authority may specify detailed conditions for the use thereof, which conditions the Applying Authority hereby undertakes to comply with.

VI. Confidentiality

1. The Applying Authority shall ensure the confidentiality of information and documents it obtains within the scope of the assistance provided, unless the aim for which the assistance was provided determines otherwise.

2. A consent of the Application Accepting Authority shall be obtained by the Applying Authority for making the information and documents obtained within the scope of the assistance provided available to any third parties.

3. The Parties shall also keep confidential any submissions of applications for the provision of assistance, unless the preceding paragraphs or a joint statement of the Parties provide otherwise.

VII. Responsibility

The Applying Authority shall be held responsible for the use of information and documents obtained within the scope of assistance provided, for a purpose other than that for which the application for the provision of assistance was submitted.

VIII. Own Initiative

1. Any of the Authorities may provide the other Authority with specific information and documents upon its own initiative, as long as it deems that the Authority to which such information and documents are submitted should become acquainted therewith.

2. If a relevant reservation is made by the Authority submitting the aforementioned information and documents, the Authority to which such information and documents are submitted shall keep them confidential. In such a case the provisions of Art. VI and VII above shall apply accordingly.

IX. Memorandum Implementation Costs

1. The Authorities shall consult each other, in all of the cases, as to the settlement of the costs of individual forms of cooperation they undertake.

2. If, however, assistance is provided in compliance with provisions of Article IV hereof, the Application Accepting Party shall provide assistance free of charge, unless substantial expenditure is involved.

3. In case of compliance with the assistance request hereunder involves substantial cost for the Application Accepting Authority, it can make such compliance conditional to the payment of such costs or any part of them by the Applying Authority.

4. The Authorities allow for partial or total reimbursement of the costs of assistance, granted from domestic and international aid programs, based on separate additional terms of cooperation, each time agreed by the Authorities.

X. Consultations

The Authorities shall analyze, on a continuous basis, the efforts undertaken in relation hereto, and shall hold relevant consultations aimed an enhancing the efforts they undertake, and at solving any problems they encounter.

XI. Final Provisions

1. All and any provisions herein contained may be amended or abrogated with the mutual consent of both Parties in a written form stating their date of entering into force.

2. The Memorandum shall remain in force until it is terminated by any of the Authorities upon a 30 days written notice submitted to the other Authority and informing that the provisions herein contained shall be no longer deemed effective. The termination of the Memorandum does not create obstacles in finalising the projects which were approved before the end of notice period.

3. The Memorandum shall be provided in two originals in English.

4. The Memorandum shall enter into force on the date on which it is signed by both the Chairman of the Central Bank of the Republic of Armenia, and by the Chairman of the Komisja Nadzoru Finansowego – Polish Financial Supervision Authority.

On behalf of and for

CENTRAL BANK OF THE REPUBLIC OF ARMENIA

By _____

Dated: 24.02.2012

On behalf of and for

KOMISJA NADZORU FINANSOWEGO - POLISH FINANCIAL SUPERVISION AUTHORITY

By _____

Dated: 26.01.2012

Attachment No. 1

Contact Points

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