

RULES THAT GOVERN INVESTIGATION OF CLAIMS

These rules for investigation of claims (hereinafter also referred to as ‘the Rules’) have been established to provide a legal framework for the process of claim investigation by the Financial System Mediator (hereinafter also referred to as ‘the Mediator’); namely, the principles for investigation of claims, the procedure for claim handling and investigation, the regulation of situations when claim investigation is rejected or terminated, the decision making process by the Mediator in respect of the investigated claim, as well as other aspects of claim investigation. The Rules have been adopted in accordance with Article 11 (4) of the Republic of Armenia Law on the Financial System Mediator (hereinafter also referred to as ‘the Law’).

CHAPTER 1:

CONCEPTS

1. The basic concepts used in the Rules are to be construed for the following meaning:

- 1) **Financial System Mediator** - a natural person who has competence under the Law and the Rules to investigate and make decisions in respect of the claims filed by the customers against the organizations.
- 2) **Client** - a natural person who uses the organization’s services or applies to use them.
- 3) **Organization** - an entity which holds an activity license provided by the Central Bank of Armenia (except the entities which have been licensed to carry out foreign currency trades and auction deals and to execute payment transactions and processing and clearing of payment documents), and the Bureau of Motor Insurers of Armenia, ULE, as provided for by the Republic of Armenia Law on Compulsory Insurance against Civil Liability in respect of the Use of Motor Vehicles.
- 4) **Claim** - a property claim (and non-property claim, in cases provided for by the Law) filed against the organization by the client for investigation by the Financial System Mediator.
- 5) **Property claim** - a claim which relates to confiscation of monetary funds, demanding the property, reducing, adding or terminating payments or charges, and which is addressed to the satisfying the client’s material needs.
- 6) **Non-property claim** - a claim filed against the Credit Bureau as defined by the Republic of Armenia Law on Circulation of Credit Information and Activity of Credit Bureaus (hereinafter referred to as ‘the Credit Bureau), which is not a property claim.
- 7) **Service** - professional activity provided by the organization, for which it has sought an activity license from the Central Bank of Armenia. Service provided by the Bureau of Motor Insurers of Armenia, ULE, constitutes the activities, as provided for by the Republic of Armenia Law on Compulsory Insurance against Civil Liability in respect of the Use of Motor Vehicles, which relate to the policyholder, the insured person or the injured person under the Motor Third Party Liability Insurance, as well as the insurance compensation and (or) the subrogation.

- 8) **Complaint** - an appeal submitted by or on behalf of the client against the organization, which is related to the violation of the obligations in providing services by the organization and which contains a property claim and, in cases provided for by the Law, a non-property claim.
- 9) **Final response** - a response made in compliance with Regulation 8/04 “Minimum Requirements and Principles to Internal Regulations, Policies and Procedures That Govern Customer Complaints”, approved under the Central Bank Board Resolution No. 225-N, dated July 28, 2005.
- 10) **Professional activity of the Financial System Mediator** - the acceptance, investigation and decision-making by the Mediator in respect of the clients’ claims by exercising competence entitled by the Law.
- 11) **Office of the Financial System Mediator** (hereinafter also referred to as ‘the Office’) - a non-commercial undertaking (a foundation by its organizational-legal form) whose main task it is to assist the Financial System Mediator and keep consumers aware of the financial sector. The Office’s assistance with investigation of claims is carried out by the team that accepts and reviews the claims; it consists of claim-handling and claim-investigating specialists.
- 12) **Unified Electronic System of the Office** - a software that supports the Office in keeping the records of the client complaints and claims and the investigation of claims.
- 13) **Space** - a virtual setting established within the Unified Electronic System of the Office of the Financial System Mediator for each client and organization, where correspondence, decisions and (or) information addressed to any given client or organization are to be placed; for an access, one would need to enter the username and password provided by the Office.
- 14) **Official website: www.fsm.am.**
- 15) **Official e-mail address: info@fsm.am.**
- 16) **Electronic notification** - correspondence, decisions and (or) information, so placed on the Unified Electronic System of the Office, addressed to the parties, the notice of which is also communicated to the party by e-mail, if the latter has provided an e-mail address in advance.
- 17) **First notification** - a document which the Mediator sends to the organization in accordance with paragraph 56 of the Rules hereunder.
- 18) **Head of the claims handling and investigating group** - the employee of the Office, whose main function it is to oversee the work of specialists who accept and investigate the claims.
- 19) **Claim Investigation Team** - specialists who are engaged in investigating the claims received by the Office, whose main function is to assist the Mediator in carrying out its professional activities, in particular, examine, analyze the client claims, engage in conciliation, negotiate and (or) prepare drafts to decisions.
- 20) **Claim Handling Team** - specialists whose main function is to assist the Mediator in carrying out its professional activities, in particular, align the content of the claim with the requirements set out in the Law, as well as provide assistance in determining the amount of property claim.
2. Other concepts in the Rules are to be construed to have the meaning used in the Law, and if not envisaged by the Law, to have the meaning used in the Legislation of the RA, unless other implication arises from the content of any particular provision for its use.

CHAPTER 2:

PRINCIPLES FOR CLAIM ACCEPTANCE AND INVESTIGATION

3. When carrying out professional activities, the Mediator shall be independent and shall not be liable to any person, except as provided for by the Law.

4. When carrying out professional activities, the Mediator shall be impartial and refrain from such activities that question his/her impartiality. If such circumstances which have come to exclude the Mediator's impartiality arise, the Mediator shall announce a self-withdrawal, making a decision in writing, of which the parties shall be notified. The Mediator may self-withdraw on its own initiative or at the request of the party (parties).

The grounds for self-withdrawal and how these shall be presented and addressed, and how a relevant decision shall be made thereupon, are established under the "Rules of Conduct and Professional Ethics for the Financial System Mediator and Office Employees", adopted by the Board of Trustees of the Office.

5. The claim shall be investigated adhering to the equality-of-the-parties principle.

6. The claim shall be investigated either applying documents only procedure, based on the evidence obtained, and (or) through hearings as and when the Mediator assigns hearings and (or) appoints meeting(s) with the parties at the Office, under the Law and the Rules.

7. Investigation of the claim and filing of the claim/complaint shall be in Armenian. The parties may apply in the language they prefer if they provide the Armenian translation. Documents or other evidence provided in a foreign language as well as other oral testimonies by the parties may not be translated into Armenian if one of the parties and the Mediator do not object using another language. Nor the operational rules of international payment and settlement systems that are available in English and Russian shall be translated. If any evidence proves to be material for investigation and resolution of the claim, or the Mediator believes that translation will be needed at the meeting for the hearings, the Mediator may require the relevant interpreter to be involved in the investigation and request them a translation.

8. The Mediator, and the party (including the Office employee, the specialist involved in investigation of the claim) who has accessed the content of the claim and (or) the information associated therewith in performing their functions on the basis of a labor or civil law contract, as well as the third party (parties) participating in the hearings shall neither publish the names (designations) of the parties to any particular case nor disclose any banking and insurance secrecy or other commercially sensitive information. The precedent shaped as a result of claim investigation shall be published by the Mediator without mentioning the name(s) of the party (parties) involved.

9. During investigation of claim, the Mediator shall assist in negotiating a settlement and (or) reaching a conciliation agreement. If no agreement of conciliation between the parties is reached and the client does not withdraw the claim, the Mediator shall make a decision on satisfying, partially satisfying or rejecting the claim.

10. Investigation of the claim is free of charge, that is, the parties are not to be financially liable to the Mediator and to each other for claim investigation by the Mediator.

11. The Mediator shall carry out investigation of the claim by reference to the Republic of Armenia Constitution, the Republic of Armenia laws and other legal acts adopted pursuant thereto, international treaties of the Republic of Armenia, rules of business conduct and ethics and customary business practices. In the absence of a law or other legal act, rule of business conduct and ethics and customary business practice to regulate the aspect in question, the Mediator shall resort to the law governing identical aspects (analogy of the law), and in the absence of such law, the Mediator shall resolve the dispute based on the principles of rights (analogy of the right). The Mediator may also apply the norms of laws of other countries in accordance with

the Law or international treaties of the Republic of Armenia. The procedure of investigation of the claim is subject to the law that will be used in such investigation and to the Rules.

CHAPTER 3:

NOTICES

12. Subject to the circumstances envisaged by the Law and the Rules, notices on the Mediator's decisions or certain actions shall be made available to the client and (or) the organization in the manner prescribed by this Chapter, in the following ways:

- 1) postal notice, with notification of delivery by a registered mail, as well as by courier service,
- 2) delivery in person,
- 3) delivery by electronic notification.

13. The notification will be made by post if the person has not decided on the option of receiving it electronically or the notification has failed to be delivered in person.

14. The notification by post shall be delivered to the organization at its place of business; the notification to the client will be delivered at the address indicated in the claim form, and in the absence of it, at their home address. Where the client has indicated the representative's address as the contact address, the postal notification will only be sent to that representative's address.

15. In-person notifications will be made when the notice has not been sent electronically or by post yet, and the addressee or his representative visit the Office of the Mediator and demand receiving the notification personally.

16. The parties submit an application for receiving the notices electronically. The organization may submit one application (electronically or paper-based) on receiving all notices of clients' claims electronically. The client may receive an electronic notice by making indication in claim form or by submitting a relevant application (electronically or paper-based). The notices shall be made electronically until the party refuses to receive them in that manner.

17. The electronic notice is deemed to have been received as of the day following the posting of the letter, decision and (or) information on the Space, regardless of whether or not the party has read it.

18. The Mediator's decision on the outcome of claim investigation as referred to in paragraph 97 of the Rules shall be notified by post, irrespective of the parties' choice, if the party or its representative did not appear in the Office of the Mediator and did not request an in-person delivery of the notification.

19. The Mediator shall make the following notices electronically or by post, depending on the choice of the party:

- a) a copy of the client's claim and the first notification as referred to in paragraph 56 of the Rules, only to the organization,
- b) the decision to reject investigation of the claim, only to the client,
- c) the decision made following the procedure for examining the withdrawal or self-withdrawal as referred to in paragraph 65 of the Rules,

- d) the decision on assigning hearings as referred to in paragraph 75 of the Rules,
 - e) the Mediator's decision taken on clarifying the decision or on correcting misprints, mistakes and arithmetic errors, as referred to in paragraph 108 of the Rules.
20. The following deliverables, information and decisions shall be noticed by the Mediator only electronically:
- a) information that a specialist has been appointed,
 - b) the decision to add another 7 business days to the 14-day period for submitting a reply letter by the organization as referred to in paragraph 57 of the Rules,
 - c) the decision to extend the term of claim investigation as referred to in paragraph 63 of the Rules for a further 14-day period,
 - d) the decision to terminate investigation of the claim as referred to in paragraph 91 of the Rules.

CHAPTER 4:

PARTIES INVOLVED IN CLAIM INVESTIGATION; THEIR RIGHTS AND DUTIES

21. Parties to investigation of the claim are the Client and the Organization.
22. Parties to investigation of the claim have the right to:
- 1) have an access to all the materials available with the Mediator in respect of the claim and get copies thereof,
 - 2) challenge the Mediator and (or) the specialist who has accepted and (or) investigated the claim received by the Office,
 - 3) submit evidence, taking into account the procedure established by the Rules,
 - 4) bring forward motions, objections,
 - 5) exercise other rights established by the Law and (or) the Rules.
23. The client may file a claim, take part in the claim investigation or otherwise appear in the Mediator's Office whether personally or through a representative. The authorities of the representative shall be certified by the power of attorney issued in a simple written form. The organization may also take part in the claim investigation or otherwise appear in the Mediator's Office whether through its employees or by a non-employee representative. In the latter case, the authorities of the representative can be recognized by the power of attorney issued in a simple written form, signed by the CEO of the organization or the person who has competence under the charter of the organization to represent that organization without the power of attorney.
24. Rights and legitimate interests of the minors, the clients incapable or with limited capability shall be defended against the Mediator and at the Office by their parents (adoptive parents), guardians or trustees who are required to provide the Office with documents certifying their status. In the case, which the client who has been identified as absent should have attended to in the prescribed manner, his agent's trust manager of the property must act as his representative.

25. A specialist with relevant qualification or professional knowledge may be involved in investigation of the claim. In case of expert report or opinion issued by the specialist, the parties have the right to study such a report or opinion and (or) get a copy thereof.

CHAPTER 5:

EVIDENCE

26. The Mediator shall carry out investigation of the claim and, as a result, make a decision using the information (evidence) obtained prior to and during the investigation.

27. Evidence may be obtained from the following types of deliverables: documents, photographs, audio-records, video-records, explanations given at hearings, and (or) other materials that may contain important information for the investigation and settlement of claim.

28. The parties shall, normally, submit evidence before the commencement of the investigation of the claim, as referred to in paragraph 58 of the Rules.

29. Once the investigation of the claim is considered commenced pursuant to paragraph 58 of the Rules, the parties may submit additional evidence only at the Mediator's permission or request, in accordance with the provisions of paragraphs 30 and 31 of the Rules. In all other cases, additional evidence presented by the parties is not investigated and cannot serve a basis for making the decision.

30. Additional evidence submitted at investigation of the claim shall be accepted by the Mediator if the party that provides such evidence substantiates that it had been impossible to produce the evidence before the commencement of claim investigation for reasons beyond its control. The case investigator who deals with the case shall notify the requested part about accepting the additional evidence or rendering it unaccepted.

31. The Mediator has the right to require from parties submission of evidence within the period specified by the Mediator or, in the absence thereof, in a reasonable timeframe.

32. Where the possessor of any evidence does not provide evidence without showing sufficient cause for such failure, or avoids providing evidence, adverse inferences may be drawn by the Mediator. In that case, the Mediator may require the avoiding party to prove the opposite.

33. The Mediator shall have the right to obtain evidence from third parties when requested by the parties or on its own initiative.

34. The Mediator and (or) the relevant specialist of the Office may examine upfront the circumstances related to the claim investigation and (or) obtain evidence. The parties shall be required to provide the Mediator or relevant specialist of the Office a free and unhindered access to study the place of evidence, provide, upon their request, additional information regarding the circumstance(s) in question; if such an access is hindered, the party having hindered it will incur the negative consequences arising therefrom. In that case, the Mediator may require the hindering party liable to prove opposite. After examining the evidence on the spot, the Mediator or relevant specialist in the Office shall draw up protocol, to be duly signed by person(s) who have studied the place of evidence; photos, videos, and other storage devices containing information may be attached to the protocol.

CHAPTER 6:

COMPLAINT

35. Before filing the claim to the Mediator, the client shall be required to submit a complaint to the organization in accordance with the requirements of the Law and other legal acts. The complaint must contain at least the narrative of the claim, client's name, surname, contact details, signature. The complaint may not specify the amount of property claim. The complaint is considered such irrespective of its name or the absence of its name.
36. The organization shall be required to provide the client with a final response within 10 business days, stating whether they reject, satisfy or partially satisfy the claim. This term does not extend to credit bureaus which have a response time of 15 business days.
37. The client shall have the right to submit a complaint to the Mediator at the moment of receipt of the final response by the Organization or in case of failure to receive a response within the timeframe specified in paragraph 36 of the Rules.
38. The deadline for submitting a complaint to the organization is 1 year from the moment when the client learned or could have learned of the violation of his/her right. Where the client fails to comply with this term, he or she may submit the claim to the Mediator only if the organization has provided a final response to the complaint, lodged in breach of an established timeframe, which did not cite the fact of breach of the term.
39. The claim shall be submitted to the organization either in writing or electronically, through the Internet, if receiving of the complaint electronically has been established by internal regulations of the organization.
40. If needed, the case handling specialist of the Office will assist the client in writing a complaint.
41. In case of a complaint filed to the organization on several grounds or the same ground, the timing will be calculated using the date on which the first complaint has been lodged to the organization.
42. In the event the client withdraws his or her complaint before the organization sends a final response or prior to the expiry of the timeframe within which the organization should have sent the final response, the complaint shall be deemed not have been filed.

CHAPTER 7:

ACCEPTING THE CLAIM

43. The client's claim to the Mediator shall be formulated as an application of claim, which, if needed, can be completed with the assistance of the case handling specialists of the Office.
44. Once submitted to the Office, the application of claim shall be assigned by the Mediator to one of claim investigating specialists, who shall be in charge of examining the claim, presenting it to the Mediator, communicating with the parties and preparing draft to decisions. Where performing of such duty by the claim investigating specialist is impossible (illness, satisfied motion for withdrawal, announced self-withdrawal, vacation, business trip and so on), the Mediator shall reassign this claim to another specialist who shall take reasonable effort to inform the parties that he (she) has assumed the job of investigating their claim. The claim investigating specialist of the Office shall act on behalf of the Mediator and actions of this specialist shall be presumed by the parties to have been actions of the competent party, i.e. the Mediator.
45. Notices and other written communication, including e-mails, sent to a responsible employee of the organization are deemed to have been sent to the organization; and actions of the responsible employee, all written communication and other information and (or) claims received from that employee, therefrom are

deemed to have been the activities and (or) the demonstration of will of the organization. Responsible employee of the organization shall be considered the employee who communicates with the Mediator during investigation of the client claims, about who (as well as his or her substitute) the organization will notify to the Mediator in a one-week period after it obtains an activity license, and in case of substitution of that employee, within a one-week period prior to the substitution, and if it is impossible, on the day of the substitution.

46. The application of claim can be submitted to the Mediator within six months from the date of receipt of the final response by the organization or expiration of the timeframe set out in paragraph 36 of the Rules, provided that the organization has not come up with a final response to the client within that period. The claim submitted in a six-months' breach of deadline may be examined by the Mediator if the breach has been due to force majeure, or, as the Mediator has come to know, the breach was associated with exceptional circumstances about the client's persona (severe illness, helpless condition, etc.).

47. The claim shall be submitted to the Mediator in writing or electronically, via the Mediator's official website, or sent at the official e-mail address using an e-signature.

48. The application of claim shall include:

- 1) the client's name,
- 2) the client's residence and contact addresses – if these addresses are identical, one should be indicated,
- 3) the name of the organization against which the claim has been lodged,
- 4) the amount of property claim – if the claim has been lodged against the credit bureau, the amount of property claim should be indicated if there is one,
- 5) a copy of the client's complaint sent to the organization,
- 6) a response in writing, if any, from the organization to the client's complaint,
- 7) a statement that there is no court or arbitration ruling on the subject matter of the same claim between the client and the organization and that no claim of the same subject matter between the client and the organization is being examined by the court or arbitral tribunal,
- 8) the content of the claim (circumstances which the claim is based on),
- 9) the date, month and year on which the claim has been filed,
- 10) a copy of the client's identification document,
- 11) the client's signature.

49. The application of claim must specify the way the client prefers to communicate, choosing one of the postal or electronic notification methods provided for in Chapter 3 of the Rules.

50. The claim may be signed by the client's representative. In that case, the application of claim shall be accompanied by a copy of the power of attorney, duly issued to, and certifying the authorities of, the representative, and in the cases provided for in paragraph 24 of the Rules, a copy of the document certifying the status of the representative and the copy of the representative's identification document. The power of attorney issued in a simple written form will constitute a duly issued power of attorney.

51. The claim accepting specialist of the Office shall be required to assist the client in making sure the content of the claim is aligned with the requirements of the Law and paragraph 48 of the Rules, as well as in determining the amount of property claim.

52. Documents and other evidence needed for investigation of the claim can be submitted in writing, in their original or copy, in the form of material evidence, in an electronic storage device, or by placing them on the Space (in case of placing on the Space, the evidence shall be deemed received by the Office on the business day following the submission of such evidence). Moreover, the copy of the document is considered to be a valid proof. The Mediator may request the original of the document from the parties or one of them, if the admissibility or existence of that particular document is being challenged. If the Mediator requests the original document and the party fails to submit or avoids submitting one, that evidence will not be considered. After the end of claim investigation, the original documents shall be returned to the parties.

53. The Mediator shall reject claim investigation, if:

1) the claim is not subject to review by the Financial System Mediator in accordance with the Law,

2) there is a court or arbitration ruling dealing with the same subject matter of the claim between the client and the organization, i.e. the same dispute has virtually been examined and settled by the court or arbitration, irrespective of whether the client or the organization has acted as plaintiff; moreover, in case of waiver of the claim by plaintiff, the court decision on abatement of the proceedings will not result in the denial of investigation of the claim,

3) there is a case with the same subject matter of the claim between the client and the organization under court proceedings or arbitration, i.e. the same dispute is virtually being examined at the court or arbitration, irrespective of whether the client or the organization acts as plaintiff,

4) the claim has already been examined by the Mediator and a relevant decision has been taken, i.e. the Mediator has made a decision in respect of the same claim by rejecting, satisfying or partially satisfying it,

5) the client has failed to submit the complaint to the organization in the manner prescribed by Chapter 6 of the Rules,

6) the claim has not been filed pursuant to the timeframe specified in paragraph 46 of the Rules,

7) the license of the organization has been revoked,

8) the claim has been signed by an incapable or partially capable person,

9) the claim is obviously slanderous, or the client's conduct is not bona fide.

54. The Mediator shall make a reasonable decision to reject claim investigation within 7 business days after the receipt of the claim, which will be notified to the client.

55. In the event the Mediator makes no decision on rejecting the investigation of the claim after it has been received, the client's claim shall be deemed accepted, and a separate decision shall not be taken by the Mediator.

CHAPTER 8:

INVESTIGATING THE CLAIM

56. Within 7 business days after the receipt of the claim, if there is no reason to reject investigation of the claim, the Mediator shall send the first note to the organization, briefly informing the content of the claim and requesting the organization to provide written explanations, clarifications and (or) objections on the claim, as well as the documents, information and (or) other evidence that may be required by the Mediator, within 14 business days after receipt of the first note. A copy of the claim and a copy of the power of attorney issued by the client (if the request has been signed by the representative) shall be attached to the first note.

57. Having received the first note, the organization shall provide, within 14 business days, the explanations, clarifications and (or) objections, and information and other such evidence as provided for in paragraph 56 of the Rules. If the organization has chosen to communicate electronically, the organization may send a response note using the Space. Based on the organization's reasoned request, the 14-day period may be extended by the Mediator for another 7 business days. In that case, the Mediator will make a decision on which the parties will be notified electronically only.

58. Investigation of the claim by the Mediator shall be deemed commenced and the timing for the investigation shall be deemed set after having received the organization's response provided for in paragraph 57 of the Rules, or in case of non-response from the organization within the timeframe specified in paragraph 57, after that period shall have expired, with the exception of cases as provided for in paragraph 59 of the Rules.

59. The timing for investigation of the claim shall not be deemed set unless a proper response or evidence has been delivered, including by taking into account the following circumstances:

a) the organization has failed to provide explanations, clarifications and (or) objections in writing within the timeframe specified in paragraph 57 of the Rules, failed to provide the documents, information and (or) other evidence required by the Mediator, so the Mediator believes that investigation of the claim cannot be carried out without such information and (or) deliverables,

b) the organization's response does not contain explanations, clarifications and (or) objections on the subject matter of the claim, or it does contain, which, however, the Mediator believes, is not satisfactory for a full investigation,

c) the organization in its response note has not provided the evidence without which, the Mediator believes, full investigation of the claim would be impossible.

60. Failure to follow the requirements and timeframes provided for in paragraph 57 of the Rules as well as providing an improper response as referred to in paragraph 59 of the Rules may prompt the Mediator to decide to warn the organization which is not cooperating sufficiently.

61. In the event the organization that has received the warning in accordance with paragraph 60 of the Rules does not cooperate or continues cooperating insufficiently with the Mediator, the latter may make a decision to recognize that organization as non-cooperative. In this case, information on the decision to recognize the organization as a non-cooperative shall be posted on the official website of the Mediator and shall be communicated to the Central Bank of Armenia.

62. The claim shall be investigated by the Mediator within 14 business days after it has been deemed commenced as provided for in paragraph 58 of the Rules.

63. In the event of a particularly complicated case, the Mediator may decide to extend the 14-day period specified in paragraph 62 of the Rules for another 14 business days. In that case, the Mediator shall make a decision on which the parties shall be notified electronically only.

64. The parties may present a challenge to the Mediator and (or) to the relevant specialist of the Office in writing only before the commencement of the investigation of the claim as referred to in paragraph 58 of the Rules. After that, a challenge can be presented if the challenging party proves that it was impossible to present the challenge before. The challenge will be presented to the Mediator and (or) the relevant specialist of the Office pursuant to the “Rules of Conduct and Professional Ethics for the Financial System Mediator and Office Employees”, adopted by the Board of Trustees of the Office.

65. The Mediator shall personally examine the challenge presented and (or) self-withdrawal announced by staff member of the Office and shall make a decision which will be communicated to the person who has challenged or presented a motion for self-withdrawal.

66. Once the challenge or the motion for self-withdrawal by staff member of the Office has been satisfied by the Mediator, the claim shall be reassigned to another specialist of the Office.

67. In the event the challenge is satisfied or self-withdrawal by the Mediator is announced, the Mediator shall make a relevant decision to delegate the claim investigation to another Mediator. In the absence of another Mediator, the Mediator will not investigate the claim, so rather making a decision on announcing self-withdrawal, a decision to reject the investigation of the claim will be made before investigation of the claim has been deemed commenced pursuant to paragraph 58 of the Rules, and a decision to terminate the claim will be made after investigation of the claim has been deemed commenced.

68. The claim shall be investigated either applying documents only procedure, based on the evidence obtained, and (or) through oral hearings as and when the Mediator decides to hold hearings and (or) appoints meeting(s) with the parties at the Office.

69. In the course of claim investigation, the resolution of dispute between the parties shall in the first place be resolved through mediation, and (or) negotiation by, the Mediator and (or) the specialist of the Office; however, should no conciliation agreement between the parties be reached, the Mediator will make one of the decisions as envisaged by paragraph 97 of the Rules.

70. In the process of mediation, the claim investigating specialist or the Mediator shall attempt to present one party's proposal to the other one, arrange a meeting, if needed, between the parties or invite separate meetings with one or both parties at the Office.

71. Where a conciliation agreement between the parties, whether confirmed orally or in writing, is reached, claim investigating specialist of the Office shall, if necessary, prepare the draft to conciliation agreement and submit the one to the parties.

72. Once the draft to conciliation agreement is agreed upon between the parties, the agreement will be signed by the parties.

73. Persons participating in the claim investigation shall be given an access, whether during or after the investigation, to the case-related files and (or) allowed to receive copies (photocopies) of such files by submitting an application. The application to receive a copy of the case-related files will be replied within 5 business days, in which period the requested copies will be provided.

74. In the course of claim investigation, altering the subject of the claim will not be allowed.

75. At the request of either party, or on its own initiative, the Mediator may invite hearings in order to obtain explanations and clarifications from the parties.

76. The hearings shall be attended by the parties, as well as other persons invited by the Mediator, including the specialist(s) involved in the claim investigation, staff member(s) of the Office, etc. For an increased

effectiveness in claim investigation, the Mediator may also invite unrelated third parties to hearings; such third parties can only take part if the parties do not object to their participation before the start of the hearings.

77. The Mediator shall make a decision to assign hearings, and the date and venue of the hearings shall be indicated in the decision. The persons as referred to in paragraph 76 of the Rules shall be notified of the decision but if they do not attend the hearing, the hearings shall nevertheless be held, unless the Mediator decides that their participation is essential for full investigation of the claim and so delays the hearing or renders it unsuccessful.

78. The course of hearings shall be device-recorded.

79. The hearings may be run by the Mediator, the Head of Claim Handling and Investigating Team, or the claim investigating specialist of the Office.

80. The parties and third parties shall participate in hearings personally and (or) through the representative.

81. Explanations and (or) clarifications of persons participating in hearings shall be considered evidence and may serve a basis for the Mediator's decision.

82. Once the hearing is over, the minutes of the hearing will be drawn up, which will be signed by the person in charge of the hearing and the secretary of the hearing.

83. The parties and third parties may have an access to the recorded hearings and (or) the minutes, and (or) get a copy (duplicate) thereof within 5 business days after the end of the hearing.

84. In order to clarify issues requiring special knowledge in claim investigation, the Mediator may invite specialist(s).

85. The person with relevant qualification and (or) knowledge, or an entity that employs such persons, may, if necessary, act as a specialist to issue an independent and impartial opinion or conclusion.

86. The Mediator shall involve a specialist in claim investigation after such case investigation has commenced as provided for in paragraph 58 of the Rules; in the event when the Mediator possesses sufficient evidence, the Mediator may request an involvement of the specialist immediately after the client has submitted the claim to the Mediator.

87. When a specialist is involved, the Mediator shall provide the specialist with a relevant note which lists the questions to be answered. The Mediator may involve one or several specialists.

88. The parties shall be notified of the opinion or conclusion issued by the specialist, and if so desired, the findings will be submitted to the parties without having to file a request for it. The parties shall have the right to give objection to the opinion or conclusion of the specialist; such objection will be communicated to the specialist for clarification. The specialist involved in claim investigation shall be required to participate in the hearings at the request of the Mediator.

89. The remuneration of the specialist shall be to the expense of the Mediator's Office, so the parties shall be exempt from such costs.

CHAPTER 9:

TERMINATION OF CLAIM INVESTIGATION

90. Investigation of the claim shall end by terminating it or making one of the decisions provided for in paragraph 97 of the Rules, on a basis of results of the investigation.

91. The Mediator shall terminate investigation of the claim if:

1) during claim investigation it turned out that the claim was not within the jurisdiction of the Financial System Mediator, that is, there had arisen grounds for rejecting investigation of the claim, in accordance with paragraph 53 of the Rules,

2) while investigating the claim, it is found out that there is a court or arbitration ruling dealing with the same subject matter of the claim between the client and the organization, i.e. the same dispute has virtually been examined and settled by the court or arbitration, irrespective of whether the client or the organization has acted as a plaintiff; moreover, in case of waiver of the claim by plaintiff, the court decision on abatement of the proceedings will not result in termination of investigation of the claim,

3) while investigating the claim, it is found out that there is a case with the same subject matter of the claim between the client and the organization under court proceedings or arbitration, i.e. the same dispute is virtually being examined at the court or arbitration, irrespective of whether the client or the organization acts as plaintiff,

4) the client has withdrawn the claim; where the client has withdrawn the claim partially, the Mediator shall refer to it in the final decision which it shall have taken based on the results of the investigation, terminating the investigation of the claim for that part and satisfying, partially satisfying or turning down for the remaining part,

5) the client has died,

6) the organization has been liquidated.

92. The client may withdraw the claim at any stage of claim investigation until the decision is made based on the results of the investigation. For withdrawal, the client shall make a request in writing, which may be filed by sending a photocopy of the request to the official e-mail.

93. Once the investigation of claim has been terminated based on the client's withdrawal of the claim, the client may again apply to the Mediator with the same claim within the timeframe defined by the Law.

94. In the event of reaching a conciliation agreement between the parties, investigation of the claim shall be terminated only if the client has withdrawn the claim. In the event the organization fails to comply with the conciliation agreement, the client has the right to apply again to the Mediator with a request to oblige the organization to fulfill the agreement, in which case the Mediator will examine not the case underlying the conciliation agreement but non-compliance with the agreement.

95. If the grounds for termination of the claim investigation have eliminated (leaving the case without investigation if the same claim is under court ruling, or if the case is abated, etc.), the client may again apply to the Mediator with the same request.

96. The Mediator shall make a decision about termination of the claim investigation. .

CHAPTER 10:

MAKING A DECISION BASED ON THE RESULTS OF CLAIM INVESTIGATION

97. Based on the results of investigation of the claim, the Mediator shall decide to satisfy or partially satisfy the claim or reject it, and shall communicate the decision to the parties either by handing it in person or sending the copies through post on the same day.

98. If there are grounds based on which for some part of the claim investigation shall be terminated while other parts need further investigation, the Mediator shall make a decision to partially satisfy the claim and terminate investigation of one part or to reject the claim and terminate investigation of other part of the claim thereof.

99. The decision of the Mediator based on the results of investigation shall be made after all the evidence and positions of the parties have been examined and considered.

100. If there is still no evidence at the end of investigation required for full review of the claim that the Mediator has requested from the party (parties) or third party, or the conclusion or opinion of the specialist involved in investigation of the claim has not been received, and the time limit for the claim investigation has already been prolonged for 14 business days, the Mediator shall make a decision based on the evidence already on hand.

101. When making a decision based on the results of investigation of the claim, the Mediator shall make a decision which, in its opinion, is justified, taking into account:

- 1) legislation of the Republic of Armenia,
- 2) rules of business conduct and ethics and customary business practices,
- 3) the Republic of Armenia court decisions by which, however, the Mediator is not constrained, except for the decisions of the Constitutional Court of the Republic of Armenia,
- 4) previous decisions by the Mediator by which, however, the Mediator is not constrained.

102. To discover rules of business conduct and ethics and customary business practices, the Mediator may make request with parties unrelated to claim investigation, i.e. public authorities, non-governmental organizations, or any other organizations, making all reasonable effort to not disclose names and confidential information.

103. If the Mediator's decision has been made to satisfy or partially satisfy the claim, the order and deadlines for complying with the decision shall be communicated to the organization in question.

104. The Mediator's decision made based on the results of investigation of the claim shall be binding to the parties, if the client agrees with the decision unconditionally and in writing within 30 business days after delivery of the decision. Moreover, the client agreeing with the decision unconditionally and in writing is the only stipulation for the decision to be binding.

105. If the client has agreed with the Mediator's decision unconditionally and in writing, the Mediator shall, within 1 business day upon receipt of the client's consent, notify the organization of such consent and of the Mediator's decision to have become binding. A copy of the client's consent to the decision will be sent along with the notification.

106. If the client applies to the Mediator for disagreement with the decision, or does not apply, within 30 business days after delivery of the Mediator's decision, the Mediator shall notify the organization of the client's disagreement and the Mediator's decision to have not become binding, after such a 30-day time shall have elapsed.

107. The client shall have the right to change his/her position after having submitted a notice of disagreement with the Mediator's decision, and may within 30 business days from the moment of delivery of the Mediator's decision submit a notice of his/her consent to the Mediator's decision unconditionally and in writing, in which case the Mediator will notify the organization of such consent and of the Mediator's decision to have become binding, in accordance with paragraph 105 of the Rules.

108. The Mediator may on its own initiative or, if so requested by the parties involved in investigation of the claim, clarify the decision which has been made based on the results of investigation, including by way of correcting misprints, mistakes and arithmetic errors, without prejudice to the content and essence of the decision. The request to clarify the decision or correct the misprints, mistakes, and arithmetic errors may be made before the execution of the decision. The Mediator shall make a decision to clarify the decision or correct the misprints, mistakes, and arithmetic errors, which shall be communicated to the parties involved in investigation of the claim.

CHAPTER 11:

TRANSITIONAL PROVISIONS

109. The Rules shall enter into force from 01.01.2018.

110. Paragraph 105 of the Rules shall apply to the decisions made by the Mediator after 01.01.2018, and the client's unconditional and written consent to the Mediator's decisions made before that date shall be communicated to the Organization within 30 business days after delivery of the decision.

111. The provisions with regard to the Unified Electronic System of the Office, the Space and notifications made electronically shall enter into force on 01.05.2018; notices to be made electronically only before that date, as provided for in paragraph 20 of the Rules, shall not apply.