

# THE LAW OF THE REPUBLIC OF ARMENIA ON LICENSING

Adopted on May, 30, 2001

## CHAPTER I GENERAL PROVISIONS

### Article 1. Subject matter of the law

This Law shall specify types of activities subject to licensing and regulate the relations connected to the licensing.

This Law shall not apply to permits (licenses) issued for usage of the earth's interiors and natural resources deemed state ownership or to license agreements signed during civic-legal relations.

### Article 2. Licensing legislation

The licensing relations in the Republic of Armenia shall be regulated by the Civil Code of the Republic of Armenia, this Law, international treaties of the Republic of Armenia and other legislative acts.

Where the provisions of this Law are different from those stipulated by international treaties of the Republic of Armenia, the provisions of the international treaties shall apply.

### Article 3. Basic terms used in the law

The following terms used in this Law shall have the following meanings:

License - an official permit verifying the right to perform a type of activity subject to licensing, or an official document verifying such right.

Type of activity subject to licensing - type of activity that by law requires a license for its performance.

Licensing - a procedure related to the issuance and reformulation of the license, or extension, suspension and termination of the validity of the license.

Licensor - a state body issuing licenses pursuant to the procedures stipulated by this Law.

Licensee - a legal or natural person, or an individual entrepreneur, as well as a state or community establishment which is not deemed a state or local self-governing body, granted with a license according to the due process of the law to perform subject to license type of activity.

Applicant - a legal or natural person, or an individual entrepreneur, as well as a state or community establishment, which is not deemed a state or local self-governing body, which has applied to the licensor to receive or reformulate the license, or extend the validity of the license, or change the location of the activity, or carry the same subject to licensing activity in another location as well, or to receive a copy of the license or its transcripts.

To notify or deliver documents in a due manner - transmission of information or delivery of documents shall be deemed due if they are sent by a registered letter with notification on reception, or by use of other means of communication assuring the formulation of a message, or are handed with a receipt.

Gross violation - the violation shall be deemed gross if it has:

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- incurred losses to other persons in an amount of from two hundred to thousand times of minimal salary, or
- caused light or less serious health injuries to other person.

Regular violation - the infringement shall be deemed regular, if the licensee has received a written caution-notice for committing such infringement at least twice within a year, and the non-commission of such caution-notice might have caused light or less serious health injuries.

Malicious violation - the infringement shall be deemed malicious, if it continues after written caution-notice of the licensor and the non-commission of such caution-notice might have caused serious damages.

Serious damage - the damage shall be deemed serious if it has:

- caused less serious health injuries to two or more persons;
- caused serious health injuries to one person;
- caused death of a person;
- incurred losses to other persons in an amount exceeding thousand times the minimal salary.

#### Article 4. The principles of licensing

The principles of licensing are as follows:

1. protection of the rights and lawful interests of individuals; protection of public morality and health, ensuring the defense and security of the state;
2. ensuring the establishment of uniform policy in the Republic of Armenia in the field of economic activity and defining single uniform list of type of activities subject to licensing;
3. establishment of uniform procedure and principles for licensing,
4. publicity of licensing;
5. ensuring the legitimacy of licensing procedure;
6. simplification of the licensing procedure and ensuring its transparency;
7. establishment of uniform standards and types of responsibilities for violations by licensees of the requirements to types of activities subject to licensing.

#### Article 5. The Aims of licensing

The aims of licensing for performing certain types of activities are as follows:

1. to protect the consumer's rights;
2. to support the regulation of developing market relations;
3. to increase the quality of products and services;
4. to administer control over persons engaged in types of activities that are potentially most risky as threatening to the life and health of individuals, property, state and public interests, the nature and cultural heritage.

#### Article 6. The validity of the license

1. The license shall be issued only for each type of activity subject to licensing specified by this Law.
2. The license shall be valid over the entire territory of the Republic of Armenia, unless otherwise stipulated by law.

## CHAPTER II. IMPLEMENTATION OF THE LICENSING

### Article 7. The subjects entitled to perform types of activities subject to licensing

1. Legal or natural persons, as well as individual entrepreneurs shall be entitled to perform type of activity subject to licensing.

The natural person holding a license shall be entitled to carry business activity in the given field only as an individual entrepreneur.

2. Commercial organizations shall be entitled to perform all types of activities subject to licensing, unless prohibited by law or organizations' charters.
3. Non-commercial organizations shall be entitled to perform all types of activities subject to licensing unless prohibited by law, and if their charters directly stipulate the right to perform such type of activity.
4. The individual entrepreneur shall be entitled to perform all types of activities subject to licensing, unless prohibited by law.
5. Capable natural persons may get license to perform non-commercial activity, unless otherwise provided by law.
6. The state or community establishments, which are not deemed state or local self-governing bodies, may also perform types of activities subject to licensing, if the right to perform such activity is directly stipulated by the legislation of the Republic of Armenia or their charters.

The state or community establishments shall be licensed according to the procedure specified by this Law for legal persons.

7. The absence of a record stipulating the right for implementation of relevant types of activities in the charter or state register registration certificate of the applying commercial enterprise, or in the state register certificate of the applying individual entrepreneur, shall not be a ground for refusing the application for license.

The absence of records providing the right for performing the given type of activity subject to licensing in the charter or state register certificate of the licensed commercial organization, or in the state register certificate of the licensed individual entrepreneur, shall not be a ground to subject such organization to liability.

8. The license cannot be handed for usage to another persons, alienated or pledged, except for cases provided by law.
9. The validity of the license shall not extent over other persons performing joint activity with the licensee, including other persons performing activities under joint contracts with licensee, as well as over legal persons established or acting with the licensee participation.

10. The entities entitled to carry type of activity subject to licensing can carry activity subject to licensing from the moment the license enters into force.

#### Article 8. The licensors

1. The licenses shall be issued only by authorized state bodies specified by this Law.
2. The licenses to perform types of activities specified in the Article 43 of this Law shall be issued by the Government of the Republic of Armenia, Central Bank of the Republic of Armenia, State Commission on Energy of the Republic of Armenia, Securities Commission of the Republic of Armenia, National Commission on Radio and Television of the Republic of Armenia, ministries and agencies authorized by the Government of the Republic of Armenia (hereafter referred to as "licensors").

The licensors shall draw licenses based on the decrees of the Government of the Republic of Armenia, Central Bank of the Republic of Armenia, State Commission on Energy of the Republic of Armenia, Securities Commission of the Republic of Armenia, State Commission on Radio and Television of the Republic of Armenia, as well as edicts of ministers and heads of agencies (hereafter referred to as "decision").

The peculiarities of licensing in the fields of power engineering and security market are specified the Law of the Republic of Armenia on Energy, Law of the Republic of Armenia on Security Market Regulation, as well as licensing procedures adopted based on those laws.

The license for banking activities specified in the Article 43 shall be issued only pursuant to the Law of the Republic of Armenia on Banks and Banking Activities, Law of the Republic of Armenia on Central Bank, as well as procedures defined by the Central Bank of the Republic of Armenia based on those laws.

3. The licensors shall establish commissions (hereafter referred to as "licensing commissions") to provide conclusions about issuance of the licenses, suspension or termination of the validity of the license, except for cases when operations stipulated by this clause are performed by the decisions of collegial licensors.
4. The licensors shall approve the charters of the licensing commissions.
5. Only licensors having issued a license and their legal successors shall be entitled to consider and make relevant decisions on reformulation of the license, or extension, suspension and termination of the validity of the license.
6. The licensors shall keep confident the commercial information of the applicants or the licensees, or other information deemed secret by law.

#### Article 9. The decisions of licensors

1. When stipulated by this Law, the licensor shall make its decisions on the basis of conclusions drawn by the relevant commission. Still, the licensor shall have the right not to take the conclusion of a commission as a basis for its decision. In such case the licensor shall justify, by its decision, the reasons for refusal of the commission's conclusions.
2. The decision of the licensor shall state:

- 1) the licensor's name and the date of the decision;
- 2) the issue of the decision (a request, appeal, suspension of the validity of the license, etc.);

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- 3) the name of the person raising the matter,
- 4) the motives and basis through which the licensor reached a conclusion, referring to laws and other legal acts,
- 5) a conclusion on the considered issue.

#### Article 10. The licensing procedure

1. The relations arising upon issuance of a license through simplified licensing procedure stipulated by this Law shall be regulated only by this Law.
2. The relations arising upon issuance of a license through compound licensing procedure stipulated by this Law shall be regulated only by law and licensing procedures.
3. The licensing procedures for issuing a license through compound licensing procedure by the Government of the Republic of Armenia, or governmental bodies authorized by the Government of the Republic of Armenia, shall be approved by the Government of the Republic of Armenia.
4. The Central Bank of the Republic of Armenia shall approve the licensing procedures for issuing a license by Central Bank of the Republic of Armenia through compound licensing procedure.
5. The Commission on Energy of the Republic of Armenia shall approve the licensing procedures for issuing a license by the Commission on Energy of the Republic of Armenia through compound licensing procedure.
6. The Securities Commission of the Republic of Armenia shall approve the licensing procedures for issuing a license by the Securities Commission of the Republic of Armenia through compound licensing procedure.
7. The State Commission on Radio and Television of the Republic of Armenia shall approve the licensing procedure for issuing a license by the State Commission on Radio and Television of the Republic of Armenia.
8. The licensing procedure should set out only the requirements that are necessary for the protection of state and public security, public order, public morality and health, the rights and freedoms or prestige and good reputation of other persons.

Where the licensing procedures set out requirements not provided by law, a reference must be made to the grounds provided in this Part. The requirements, which do not contain such reference, as well as limitations not provided by law, have no legal effect.

The licensing procedures shall not restrict the civil rights of applicants or licensees.

9. The licensing procedure may set out requirements on presentation of business plans, justifications, market analysis, minimal amount of the charter capital or information about founders of the applying legal person only in the cases stipulated by law.

10. The licensing procedure shall not oblige a licensee to conclude civil contracts with certain specific persons, unless otherwise stipulated by law.

The order of licensing should not stipulate the default of an applicant to other persons, including the state as a basis for refusal of the application for licensing, unless otherwise stipulated by law.

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### CHAPTER III. TERMS AND CONDITIONS OF LICENSING

Article 11. Environmental protection, hygienic and sanitary-epidemiological safety, compliance with anti-fire norms and rules by a licensee

1. While performing types of activities subject to licensing, the licensees are obliged to comply with the norms and rules of environmental protection, hygiene and sanitary epidemiological safety or fire safety.

2. The authorized state governmental bodies shall specify the lists of norms and rules on environmental protection, hygiene and sanitary epidemiological safety or fire safety, the requirements of which must be complied with for each type of activity subject to licensing. The lists shall include full names of normative legal acts stipulating relevant norms and rules, the date of their official publication, the name of the official newsletter and its issue number. The licensor shall provide the licensee with the list of norms and rules subject to mandatory observation appended with the license. The licensor is obligated to inform all licensees about changes made in the mentioned lists within 15 days following the day such changes enter into force.

3. No documents confirming the compliance with the norms and rules of environmental protection, hygiene and sanitary epidemiological safety or fire safety shall be required for issuing a license, unless otherwise stipulated by law.

4. The licensor shall inform relevant authorities about issued licenses according to the procedure stipulated by the Government of the Republic of Armenia for the purposes of implementing control over compliance with the norms and rules of environmental protection, hygiene and sanitary epidemiological safety or fire safety.

Article 12. Mandatory terms and conditions

1. When carrying out a type of activity subject to licensing, the licensee are obligated to follow the mandatory terms and conditions stipulated by legal acts, including terms and conditions stipulated by orders of licensing for the carrying the given activity.

2. The licensor shall provide the licensee with a license attached with the list of legal acts stipulating mandatory terms and conditions. The list shall include full names of legal acts, the date of their official publication, the name of the official newsletter and its issue number. The licensor is obligated to inform all licensees about changes made in the mentioned lists within 15 days following the day of enforcement of such changes.

3. The licensees having received the same type of license shall be provided with identical terms and conditions.

Article 13. Requirements to professional qualification

1. The legislation of the Republic of Armenia and licensing procedures may stipulate professional qualification requirements to perform such types of activities subject to licensing that require professional knowledge.

2. The professional qualifications of a person may be certified by respective certificates, diplomas, qualification trainings and other documents stipulated by the legislation and issued according to the procedures defined by legislation. At least 3 years of continuous professional service of a person in certain positions or activities also serve as a document certifying the professional qualification of a person, unless otherwise stipulated by law.

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3. The professional qualification documents issued by foreign countries shall have legal force in the Republic of Armenia, if so is provided by law and international treaties of the Republic of Armenia.

4. The testing of professional qualifications for issuing a license may be carried only in cases stipulated by law, according to the procedures and conditions provided by law and licensing procedures.

5. The right of a natural person or individual entrepreneur to get a professional qualification, participate in testing of professional qualifications, occupy certain positions or carry certain activities may be restricted only by law.

#### Article 14. The procedure of the qualification test

1. The qualification of natural persons shall be tested by the qualification commission established by respective licensor, unless otherwise stipulated by law or licensing procedures.

The licensors shall approve the procedures for formation of the qualification commissions and their charters.

2. The qualification test shall be performed in compliance with the qualification procedures approved by the body entitled to approve the relevant licensing procedures. The qualification procedures shall be drawn up clearly and in detail and shall not include provisions not provided by the legislation of the Republic of Armenia or not included in the relevant curriculums.

3. The qualification procedures shall stipulate the period of qualification test, the list of documents required to participate in the test and periods for their submission, the number of subjects and tasks to be tested, the marking procedure, the technique of testing, the time allowed for the test, the use of legal or other documents or technical means, the scores required to receive a qualification certificate, the procedure for appealing the test results, as well as other provisions aimed at proper implementation of the test. The test questions shall be prepared by the licensor and published no less than six months prior to the day of the test.

Where the qualification test is to be performed by technical means, the applicant shall be acquainted beforehand about procedures and conditions for usage of the technical means.

The qualification test shall be in writing.

The passed marks of the qualification test shall remain valid with no time limits. The period of validity of passed marks of qualification test may be limited only by law.

4. The legal acts on changing the qualification procedures shall enter into force after six months from the moment of their promulgation, if such acts do not provide for a later period.

5. The applicant shall be notified in a due manner about the date, hour and place of the qualification test at least 7 days prior to the test.

The same requirements shall be stipulated for all participants of a given qualification test.

6. The qualification test shall be in Armenian.

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7. The qualification test shall be open. The testing of information relating to a state, service, or banking secrets shall be held behind the closed doors.

The open test may be video recorded, filmed or audio recorded.

8. The commission shall summarize the test results behind the closed doors. The conclusion of the commission shall be publicized.

The participant of the qualification test shall be notified in a due manner about the test results, or the results shall be sent him/her no later than within five days from the day following the last day of the testing.

9. Where the law or the licensing procedure do not provide requirements to issue a license other than passing a qualification test, persons having passed the qualification test shall be granted a relevant license appended by a qualification test certificate.

10. The qualification test performed in breach of the requirements of this Article shall be deemed invalid by a judicial procedure.

#### Article 15. Technical terms and conditions

1. Where there are special types of activities subject to licensing, which require special technical conditions, then specific technical terms and conditions may be stipulated to perform such types of activities subject to licensing.

2. The technical terms and conditions relating to the type of activities subject to licensing shall be stipulated by law or other legal acts.

#### Article 16. The expertise of goods, articles, equipment or documents submitted for licensing

1. Where provided by law, a license to perform specific type of activities subject to licensing may be issued based on positive results of the expertise of goods, articles, equipment, as well as documents submitted for the licensing.



2. Persons holding respective licenses to carry out expertise are entitled to expertise goods, articles, equipment, as well as documents submitted for licensing. The institutions acting under the subordination of a licensor, as well as organizations where the licensor holds more than fifty percent of the shares, are not entitled to carry out an expertise, except for cases directly stipulated by law or legislative acts.

3. The expertise shall be carried on the applicant's expense.

The expertise shall be carried prior to submission of the application, and the conclusion of the expertise shall be submitted with the application.

4. Where provided by law or licensing procedures, the expertise conclusions drawn by foreign countries or organizations on goods, articles and equipment may be taken a basis to issue a license.

5. The expertise shall be carried within a month, unless otherwise stipulated by the law or orders of licensing.

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#### CHAPTER IV. VALIDITY TERMS OF A LICENSE

##### Article 17. Validity terms of a license

1. To be valid the license shall contain the following information:

- 1) the name of the licensor;
- 2) the issuing number of the license;
- 3) the date of issuing the license;
- 4) the type of the activities for the implementation of which the license is issued;
- 5) the name of the legal person and its location, for natural person and individual entrepreneur its first and second names and place of residence;
- 6) the place (address) of performing the activities (shall be stated, if according to this Law, the activities subject to licensing shall be performed only in the location stated in the license);
- 7) the validity period of a license;
- 8) the signature of the licensor's authorized person and the licensor's seal with the imprint of the state coat of arms.

2. The license forms shall be approved by bodies approving the respective licensing procedure; the licenses issued through simple procedures shall be approved by the Government of the Republic of Armenia.

3. The license forms shall have the degree of protection stipulated by the Government of the Republic of Armenia for securities and shall be deemed a document subject to strict registration with registration and serial numbers.

The licensor shall acquire, register and maintain the license forms.

##### Article 18. The license transcripts

1. When providing licenses for types of activities stipulating professional qualification requirements, the licensing procedure may provide for issuing license transcripts to the persons responsible for performance of such activities certifying the compliance of the licensee's knowledge with the stipulated requirements.
2. When providing licenses for types of activities stipulating technical terms and conditions, the licensing procedure may provide for provision of license transcripts for the equipment or certain types of technical means verifying their compliance with the specified terms and conditions.
3. The validity of the license transcripts cannot exceed the validity of the license.

#### Article 19. Copy of a license and transcript

1. The license shall be issued in a single copy.

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2. Where the license or its transcript is lost (lost, destructed, etc), the licensee shall submit an application thereon to the licensor and give an advertisement in the mass media.
3. The licensor shall provide a copy of the lost license or its transcript to the person within 3 days after fifteen days from the day the advertisement in the mass media is made.
4. Where the license or its transcript has become unfit for further usage, the licensee shall submit an application thereon to the licensor to receive the copy of the license or its transcripts.
5. The licensor shall provide the licensee with a copy of the unfit license or its transcript on the third day following the day the licensee submitted the application.
6. A copy of the license or its transcript shall bear the word "a copy" in its top right corner.
7. Where the copy of the license or its transcript is lost, a copy of the license or its transcript shall be provided pursuant to the procedure stipulated by this Article.

#### Article 20. Administration of a register for licenses

1. The licensor shall administer license registers.
2. The following records shall be made in the license register:
  - 1) name and location of the licensed legal person, and, if the licensee is a natural person or an individual entrepreneur, its first and second names and the place of residence;
  - 2) license number;
  - 3) license issuance name and registration number;
  - 4) types of activities for which the license is issued;
  - 5) place (address) of performing the activities (shall be stated if according to this Law activities subject to licensing must be performed only in the location stated in the license);

- 6) the validity period of the license;
  - 7) extension of the validity of the license;
  - 8) information in the register on reformulation of the license, suspension or termination of the validity of the license;
  - 9) other information stipulated by law or licensing procedures.
3. The licensor shall paginate and seal all pages of the register.

Article 21. The individual files of licensed persons

1. The licensor shall open an individual file for each licensee.
2. The individual file of a licensee shall be maintained according to the procedure and for the period stipulated by legislation.

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3. Where the validity of the license is suspended, it shall be returned to the licensor. The returned license shall be attached to the individual file of the licensee.

Article 22. Information about the licensee

1. The information contained in the license registers shall be available for the state and local self-governing bodies, natural and legal persons.
2. The licensors are obliged to provide respective information requested by the state and local self-governing bodies from the license registers free of charge within three days.

Information about other persons from the license registers shall be provided at the request of natural and legal persons within three days from the day the request is received. A state duty according to the procedure and amount provided by law shall be charged for provision of the mentioned information.

Information from the licensing register on the natural and legal persons shall be provided free of charge to the latter within three days from the day the request is received.

3. The licensors shall inform relevant state and local self-governing bodies about the records in the license registers and changes thereto, according to the procedure stipulated by the Government of the Republic of Armenia.
4. The licensors shall send subject to publication copies of its decisions on issuing and reformulation of the license, or extension, suspension, termination and restoration of the validity of the license to the body that publishes normative legal acts of the governmental agencies within three days from the day such decisions are adopted.

The licensors shall send copies of entered into legal force court verdicts on termination of the validity of the license to the body that publishes normative legal acts of the governmental agencies within three days from the day the verdict enters into force.

The decisions or verdicts on issuing and reformulation of the license, or extension, suspension, termination and restoration of the validity of the license shall be published in a special part of the "Newsletter of Governmental Agencies Normative Acts" within ten days from the day such decisions or verdicts are received.

#### Article 23. State duty

State duties for issuing a license or its copy, reformulation of the license, extending the validity of a license, providing information from the license register to other persons, performing the same activity subject to licensing in another location as well, or participating in the qualification test shall be charged according to the procedure and amount stipulated by law.

There may be provided an annual duty for carrying type of activity subject to licensing, too.

### CHAPTER V. TYPES OF LICENSES

#### Article 24. Types of licenses

The following types of licenses may be issued to perform activities subject to licensing:

1. licenses issued by simple procedures;
2. licenses issued by compound procedures.

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#### Article 25. Licenses issued by simple procedures

1. A license issued by simple procedures (hereinafter referred to as "simple license") is a permit given by the licensor to perform activities stipulating mandatory terms and conditions for carrying such activities, and the control over compliance with such terms and conditions is carried according to the procedure stipulated by law.

A simple license shall be issued without the decision of the licensing commission.

2. A simple license shall be issued after three days upon submission by the applicant of the documents provided by this Law.

3. A simple license shall be issued with no time limits.

4. A licensee is entitled to perform activities subject to licensing only in compliance with the mandatory terms and conditions of the license.

5. Before performing activities subject to licensing, a person holding a simple license is obligated to send a written notice to bodies specified by the Government of the Republic of Armenia containing the following: licensee's name and location if the licensee is a legal person, or first and second names and residency if the licensee is a natural person or individual entrepreneur; the location where the activity subject to licensing will be performed (shall be stated, if according to this Law, the activities subject to licensing must be carried only in the location stated in the license); the information containing in the license; the date of commencing the activity subject to licensing.

6. Simple licenses shall be issued to perform only types of activities specified in the Article 43 of this Law.

#### Article 26. Licenses issued by compound procedures

1. A license issued by compound procedures (hereinafter referred to as "compound license") is a permit given by a licensor to perform activities in compliance with the licensing procedures, which also stipulates the mandatory terms and conditions for performing such activities, and the control over compliance with such terms and conditions is carried according to the procedure stipulated by law.
2. A compound license shall be issued after thirty days upon submission by the applicant of all documents provided by this Law, unless other term is stipulated by law.
3. A compound license shall be issued with no time limits, unless otherwise stipulated by law.
4. Where provided by this Law, a compound license may be issued by a tender carried pursuant to the licensing procedure.
5. Compound licenses shall be issued based on the conclusions drawn by licensing commissions established by the licensors.

The conclusions of the licensing commissions shall be drawn according to this Law and procedures stipulated by the charters of the licensing commissions.

6. Compound licenses shall be issued to perform only types of activities specified in the Article 43 of this law.

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#### Article 27. Documents required to submit to receive a simple license

1. The applicant shall submit the following documents to a licensor to receive a simple license:
  - 1) an application to receive a license stating:
    - (a) for a legal person: the name and the structural-legal form, location, place of the activity; for a natural person and an individual entrepreneur: the first and second names, residence, place of the activity;
    - (b) type of activity subject to licensing, which the applicant intends to perform;
    - (c) other information provided by law;
  - 2) for a legal person: a copy of its charter and a copy of a state registration certificate; for an individual entrepreneur: a copy of the state registration certificate,
  - 3) other documents provided by law.
2. Documents required to receive a simple license may be delivered to the licensor in person or by mail.

#### Article 28. Documents required to submit to receive a compound license

1. An applicant shall submit the following documents to a licensor for receiving a compound license:
  - 1) an application to receive a license, stating:

- (a) for a legal person: the name and the structural-legal form, location, place of the activity; for a natural person and an individual entrepreneur: the first and second names, residence, place of the activity;
  - (a) type of activity subject to licensing, which the applicant intends to perform,
  - (b) other information provided by law or licensing procedures;
  - 2) for a legal person: a copy of its charter and a copy of a state registration certificate: for an individual entrepreneur: a copy of the state registration certificate;
  - 3) a document certifying the professional qualification of a person, if the submitted application is for a type of activity requiring professional qualification,
  - 4) other documents provided by law or licensing procedures.
2. Documents required to receive a compound license may be delivered to the licensor in person or by mail.

#### Article 29. Dismissal of the application for a license

- 1. The application for a license shall be dismissed if:
  - 1) documents submitted by the applicant are defective, obviously false or distorted;
  - 2) submitted documents do not comply with the requirements of this Law and the legislation of the Republic of Armenia;
  - 3) the applying legal person, by law or according to its charter, has no right to perform the requested type of activities subject to licensing;
  - 4) the applying natural person has no right to perform the requested type of activities subject to licensing;
  - 5) in other cases stipulated by law or licensing procedures.
- 2. The application for receiving a simple license shall be dismissed in writing within three days from the day the application is filed by the licensor.

The application for receiving a compound license shall be dismissed in writing no later than within 30 days from the day the application was filed by the licensor, unless otherwise stipulated by law.

Where the application for receiving a license is not dismissed within the time periods mentioned in this part, the application shall be deemed satisfied and the applicant may comment the type of activity subject to licensing irrespective of is the license handed to him/her or not.

- 3. The decision to dismiss the application to receive a license must clearly state the reasons and legal grounds for the dismissal.
- 4. Where there are shortcomings (misprints, inconsistencies of non-legal nature, computation mistakes and other similar omissions) in the license application or in attached documents, the licensor may satisfy the request with a reservation that the license shall be issued to the applicant after elimination of the defects.

5. The application to receive a license shall be dismissed on the grounds of shortcomings in the documents, if the applicant failed to submit the required documents or materials within ten days following the day the licensor notified thereof in due manner.

The licensor shall send notification on shortcomings in the submitted documents within three days following the day the documents are received if the application is for simple license and within ten days following the day the documents are received if the application is for compound license.

6. The license application shall not be dismissed for the reasons not stipulated by this Law.

7. Where the application for a license is dismissed, the applicant shall have the right to submit a new application for a license under general procedure.

#### Article 30. Extension of the validity of the license issued for a definite period

1. The licensee shall have the right to file an application to the licensor before the validity of the license is expired to extend the license issued for a definite period.

The validity of the license shall be extended for the same period as the previous license, unless otherwise provided by law.

2. The application to extend the validity of the license shall state the requested period. Attached to the application, legal persons shall also submit the certificate issued by a state-authorized body registering the legal person about modifications made in the

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legal person's charter. Where there were any changes in the charter of the legal person, such changes shall be submitted, too.

3. The validity of the license shall be extended on the fifth day following the day the licensee submits the application and required documents.

The validity of the license shall be extended by a corresponding note on the license.

4. Decisions on the application to extend the validity of the license shall be made without decisions of the licensing commission. But if there are grounds for dismissal of the license, or on the applicant's demand, the application shall be considered through the hearings procedure.

5. The application to extend the validity of the license may be delivered to the licensor in person or by mail.

#### Article 31. The dismissal of the application to extend the validity of the license

1. The application to extend the validity of the license shall be dismissed if:

- 1) documents submitted by the applicant are defective, obviously false or distorted;

- 2) submitted documents do not comply with the requirements of this Law and the legislation of the Republic of Armenia;
- 3) applying legal person was deprived of the right to perform requested type of activity according to the law or its charter;
- 4) applying natural person or individual entrepreneur was deprived of the right to carry requested types of activities, according to the law;
- 5) there were changes in the licensing requirements within the period followed after the license was issued;
- 6) in other cases stipulated by law and licensing procedures.

2. The application to extend the validity of the license shall be dismissed in writing within five days following the day the application is filed by the licensor, if the application was for a simple license, and within ten days following the day the application is filed by the licensor, if the application was for a compound license, unless otherwise stipulated by law. Where the application to extend the validity of the license is not dismissed within the mentioned period, the application shall be deemed satisfied and the licensor is obliged to extend the validity of the license within one day.

3. The decision on dismissal of the application to extend the validity of the license shall state the reasons and legal grounds of dismissal.

4. Where there are insignificant shortcomings (misprints, inconsistencies of non-legal nature and other similar omissions) in the license application or in attached documents, the application may be satisfied by the licensor with a reservation that the license shall be issued to the applicant after correction of defects.

5. The application to receive a license shall be dismissed on the grounds of shortcomings in the documents, if the applicant failed to submit the required documents or materials within ten days following the day the licensor notified thereof in due manner.

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The licensor shall notify about the deficiency of the documents submitted to extend the validity of the license within three days following the day the documents are received if the license is simple, and within ten days following the day the documents are received if the license is compound.

6. The license application shall not be dismissed for the reasons not stipulated by this Article.

7. Where the application to extend the validity of the license is submitted during the period when the validity of the license is suspended, the issue of extension of the license validity shall be considered only after suspension is eliminated.

#### Article 32. Reformulation of the license

1. Where the licensed legal person reorganizes or changes his/her name or location he/she is obliged to file an application to reformulate the license within fifteen days following the day such modifications enter into force, attaching documents required for verification of relevant information.

2. Where the individual entrepreneur or a natural person changes his/her name or residence, the licensee is obliged to file an application to reformulate the license within



fifteen days following the day such modifications came into force, attaching documents required for verification of the relevant information.

3. Where a legal person is reorganized in a form of spin-off, the license shall be issued to the legal successor (successors) spun-off from such legal person only according to the procedure stipulated for issuing the respective license.

4. Where a legal person is reorganized in a form of a split, the license shall be issued to the split legal persons only according to the procedure stipulated for issuing the respective license.

5. The license shall be reformulated on the third day following the day the licensor files the respective application of the licensee.

When reformulating the license, the licensor shall make corresponding modifications in the license register.

6. The application to reformulate a license shall be dismissed in the cases and according to the procedure for rejection of the applications to reformulate licenses stipulated by Article 29 of this Law, except for cases stipulated in point 5, part 1 of that article.

7. Decisions on the application to reformulate the license shall be made without a decision of the licensing commission. But if there are grounds for dismissal of the application, or on the applicant's demand, the application shall be considered through the hearings procedure.

8. With respect to changing the location of the licensee, this Article covers only types of activities subject to licensing, which, according to this Law, shall be performed only in the location stated in the license.

#### Article 33. Changing the location of activities or performing the same activities subject to licensing in another location, too

1. To change the location of activities subject to licensing, or to perform the same activity subject to licensing in a new location, the licensee holding a simple license shall submit an application to the licensor stating the validity terms of the previously

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received license and a written statement on modifications made in the previously submitted documents. Attached to the application, legal persons shall also submit the certificate issued by a state-authorized body registering the legal person about modifications made in the legal person's charter. Where there were any changes in the charter of the legal person, such changes shall be submitted, too.

2. Any change of the location of activities subject to licensing, or performance of the same activities in a new location by a licensee holding a compound license shall be carried out according to the procedure stipulated in the part 1 of this Article, if no special conditions referring to the location of activities are stipulated by law or licensing procedure for issuing a license to perform activities, unless otherwise stipulated by law.

3. Where there are special requirements for issuing a license to perform activities stipulated by law or licensing procedure relating to the location of activities to be

performed by a licensee holding a compound license, the location of activities subject to licensing can be changed, or the licensee concerned may perform such activity subject to licensing in a new location only when documents provided by law or licensing procedure meeting special requirements related to the location of activities are submitted.

Where a holder of a compound license there are special requirements stipulated by law or licensing procedures related to location of the activities

The performance of activities in violation of the requirements of this part shall be deemed unlicensed performance of activities subject to licensing.

4. In cases stipulated by parts 1 and 2 of this Article, the application to change the location of activities or to perform activities in another location as well shall be considered and satisfied on the third day following the day the application and necessary documents are submitted by licensee to the licensor.

In cases stipulated by part 3 of this Article, the application to change the location of activities or performance of activities in another location as well shall be considered and satisfied within ten days following the day the application and necessary documents are submitted by licensee to the licensor.

5. The application to change the location of activities or to perform activities in another location as well shall be dismissed in the cases and by the procedure stipulated by the Article 29 of this Law, except for cases specified in point 5 of part 1 of that Article.

6. The decisions on the applications for changing the location of activities or performing the same activities in another place as well shall be made without the decision of the licensing commission. But if there are grounds to dismiss the license, or on the applicant's demand, the application shall be considered through hearings procedure.

7. The requirement of this Article covers only such types of activities subject to licensing, which, according to this Law, shall be performed only in the location stated in the license.

#### Article 34. Suspension of the validity of a license

1. The suspension of the validity of a license shall be the temporary deprivation of a licensee, for a definite period of time, or under definite conditions, from the right to perform activities subject to licensing or individual functions of such activities, or individual operations reserved by license.

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2. While the validity of the license is suspended, the licensee shall have no right to perform any activity, function or operation specified by the decision on suspension, except for those that are aimed at elimination of the reasons for suspension of the validity of the license or implementing urgent measures stipulated by the decision on suspension.

3. The performance of activities, functions or operations prohibited by the second part of this Article by a licensee while the validity of the license is suspended shall be

deemed unlicensed performance of activities subject to licensing and bear respective liability stipulated by law.

4. The decision on suspension of the validity of the license shall clearly state the suspended activities, functions or operations, as well as the reasons for suspension, legal grounds and time limits.

Where, depending upon the character of the violation, it is possible to eliminate the violations or their consequences by temporarily depriving the licensee from performing individual functions of activities subject to licensing or individual operations reserved by the license, the suspension of the validity of the whole license shall not be applied.

Where the suspension of the validity of a license will directly damage the state and public security, public order, public health and morality, the rights and freedoms of others or their prestige and good reputation, the decision on suspension of the validity of the license shall provide for guarantees for protection the interests of third persons against consequences of suspension by the licensee of activities subject to licensing and state a procedure for compensating incurred losses, or define a time period for eliminating the consequences thereon.

The decisions on suspension of the validity of the license, which do not include provisions stipulated by this Article shall be deemed invalid.

5. Where the validity of the license is suspended based on more than one of grounds stipulated by this Law, the decision on suspension shall be made on the basis of each of such grounds.

6. The validity of the license shall be deemed suspended on the day following the day the decision of the licensor is due delivered to the licensor or filed by the licensor, unless a later time period is stipulated by the decision on suspension of the validity of the license or by law.

7. The suspension of the validity of the license shall be deemed annulled on the day following the day the suspension period is terminated. Where the period of suspension of the validity of the license is stipulated before the reason of the violation is eliminated, the suspension of the validity of the license shall be deemed annulled on the fifth day following the day the statement of the licensee on elimination of the violations (accompanied by appropriate documents) is filed by the licensor, unless the licensor makes another decision or specifies a shorter period and due notifies thereof the licensee.

#### Article 35. The procedure for suspension of the validity of the license

1. The licensor shall have the right to suspend the validity of the license for violations of the statute requirements only based upon the conclusion of the licensing commission of the licensor.

Where the licensee commits such violations of law, licensing procedures or licensing terms and conditions that directly threaten the state and public security, public order, the life of persons, public health or morality, the rights and freedoms of others or their

prestige or good reputation, the licensor shall have the right to prohibit immediately temporarily the performance of activities subject to licensing or individual functions of such activities, or individual operations reserved by license. A decision shall be made on prohibiting the performance of activities subject to licensing or individual functions of such activities or individual operations reserved by the license, and such decision enters into force from the moment the decision is due delivered to the licensee.

Where within five days from the day the decision to prohibit the performance of activities subject to licensing or individual functions of such activities or individual operations reserved by the license, no decision is made on suspension of the validity of the license, or the decision does not substantiate the need to prohibit the performance of activities subject to licensing or individual functions of such activities or individual operations reserved by the license, the decision on prohibition shall be deemed invalid. In such case the licensor is obliged to compensate for losses incurred by the licensee in a result of the prohibition.

2. The licensing commission shall consider the issue on suspension of the validity of the license and come to the respective conclusion pursuant to the procedure stipulated by this Law and the charter of the commission.

3. The validity of the license may be suspended for violation of the statute requirements no later than within three months following the day the violation was committed, or if the violation is ongoing or persistent, within three months from the day such violation is disclosed.

4. Where the licensor fails to deliver or send properly to the licensee the decision on suspension of the validity of the license within 15 days following the day the conclusion of the discussion on the issue of the suspension of the validity of the license is drawn, the matter of suspension of the validity of the license shall be deemed dismissed. In such case the licensor shall have no right to raise the second time the issue of suspension or termination of the validity of the license on the same grounds.

#### Article 36. Grounds for suspension of the validity the license

1. The validity of the license may be suspended in the following cases:
  - 1) the licensee has handed the license to another person for usage, or pledged as collateral or alienated in cases not provided by law;
  - 2) the licensee does not inform in due time the licensor about changes where it was provided by this Law;
  - 3) there were gross violations of the license terms and conditions or statutory requirements regulating the activity subject to licensing while performing the activity;
  - 4) the licensee commits regular violations;
  - 5) the licensee hinders the inspection carried under due process of law by persons supervising the activity subject to licensing, or does not submit the required documentation;
  - 6) the licensee has violated by more than 10 days the deadline for submission of reports pursuant to the law relevant to the activity subject to licensing;

7) the licensee is temporarily deprived of the right to perform an activity subject to licensing;

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8) there is no person having professional background or qualifications required under the license terms and conditions: only to the extent of that person;

9) according to the application of the licensee;

10) submission of an application by the licensor to terminate the validity of the license in cases provided by this Law,

11) failure to pay annual state duties

12) other cases provided by law or licensing procedures.

2. In the cases provided by points 2, 3, 4, 5, 6, 7, and 11 of part of this Article the validity of the license shall be suspended until the reason for violation is eliminated.

3. In the cases provided by point 1, part 1 of this Article the validity of the license shall be suspended for two months.

4. The applications provided by point 9, part 1 of this article shall be considered within 15 days from the day they are received. Where the application is not considered within 20 days from the day the application is received or no decisions is made, such application shall be deemed satisfied and the validity of the license shall be deemed suspended for the period specified by the licensee.

5. The application of the licensee on suspension of the validity of the license may be dismissed, if so provided by law or of licensing procedures, or if the state and social security, social order, public health and morality, rights and freedoms or prestige and good reputation of other persons will directly be damaged due to suspension of the validity of the license.

6. In the cases provided by point 9, part 1 of this Article the validity of the license shall be suspended for the period mentioned by the licensee.

7. In the cases provided by point 11, part 1 of this Article the validity of the license shall be suspended for the period provided by law.

8. For the grounds provided in points 1, 2, 3, 4, 5, 6, 8, 9, 10 and 12 of part 1 of this Article, the validity of the license shall be suspended by the decision of the licensor, unless otherwise stipulated by law.

9. For the grounds provided in point 7 of part 1 of this Article, the validity of the license shall be deemed suspended from the day the act on the temporary deprivation of the licensee of the right to perform an activity subject to licensing enters into force.

10. For the grounds provided in point 11 of part 1 of this Article, the validity of the license shall be deemed suspended from the day the annual state duty was to be paid.

#### Article 37. Termination of the validity of the license

1. The validity of the license may be terminated in the following cases:

1) there are significant false data or forgery discovered in the documentation submitted for getting the license;

- 2) the legal person performing the licensed activity is liquidated, or the activity of the individual entrepreneur is terminated, or the natural person passes away;
- 3) a serious damage was caused as a result of performing an activity subject to licensing;
- 4) the licensee has committed malicious violations;
- 5) the validity of the license was suspended in compliance with the points 1, 2, 3, 4, 5, 6 of part 1 of Article 36 of this Law not less than twice during one year;
- 6) performing a suspended activity or an individual separate function of that activity or individual operation reserved by the license during the period of suspension of the validity of the license in violation of the requirements of the suspension;
- 7) according to the application of the licensee;
- 8) the license term is expired;
- 9) in other cases stipulated by law.

The validity of the license shall be terminated by recognizing the license invalid.

2. The application to terminate the validity of the license due to the violation of statute requirements may be submitted no later than within one year from the day the violation is committed, or within one year from the day the violation is revealed, if such violation is a continuing or durable, and, in the cases stipulated by part 1, point 1 of this Article, within 15 days from the day the false information or forgery is discovered.

3. Where violations stated in points 3, 4, 5 and 6 of part 1 of this Article are discovered, the licensor shall have the right to suspend the validity of the license before the verdict of the court on the application to terminate the validity of the license enters into force. In such case the licensor is obliged to submit the application to terminate the validity of the license to the court within 10 days from the day the validity of the license is suspended. Where the application is not submitted within such period, the suspension of the validity of the license is deemed annulled.

4. Where the validity of the license is terminated on the grounds stipulated by points 1, 3, 4 and 5 of part 1 of this Article, the person shall have the right to apply for a new license only after one year the validity of the license is terminated.

5. On the grounds stipulated by points 1, 3, 4, 5, and 9 of part 1 of this Article, the validity of the license shall be terminated through judicial procedures on the basis of the licensor's application.

6. On the grounds stipulated by points 1, 3, 4, 5, and 9 of part 1 of this article the validity of the license shall be deemed terminated from the day following the day the respective verdict of the court enters into force, unless a later period is stipulated by the court verdict.

7. On the grounds stipulated by points 2 and 7 of part 1 of this Article the validity of the license shall be terminated by the licensor's decision.

8. The applications stipulated by point 7 of part 1 of this Article shall be considered by the licensor within 15 days from the day they are received. Where the application is not considered or no decision is made within 20 days from the day the application is

received, such application shall be deemed satisfied and the validity of the license shall be deemed terminated.

The application of the licensee to terminate the validity of the license may be dismissed, if it is provided by law or licensing procedures.

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9. The licensor may set forth a later deadline than the deadline stated in the application to terminate the validity of the license if, as a result of the termination of the validity of the license, a direct damage will be caused to the state and social security, social order, public health and morality, rights and freedoms or prestige and good reputation of other persons.

10. Where, as a result of termination of the validity of the license, a direct damage is caused to the state and social security, social order, public health and morals, the rights and freedoms or prestige and good reputation of other persons, the court verdict or decision of the licensor shall state guarantees for protecting the interests of third persons against consequences of the licensor's decision to terminate the activity subject to licensing, or establish procedures for compensation for losses incurred by such termination, or specify a time period for eliminating the consequences thereon.

11. On the grounds stipulated by point 7 of part 1 of this Article, the validity of the license shall be deemed terminated from the day following the day the decision of the licensor is submitted to the licensee, or following the day the decision is filed by the licensee, unless the licensee's application provides for a later date.

On the grounds stipulated by point 2 part 1 of this Article, the validity of the license shall be deemed terminated from the day the licensed legal person is liquidated, or the activity of individual entrepreneur is terminated, or the natural person passes away.

12. On the grounds stipulated by point 8 part 1 of this Article, the validity of the license shall be deemed terminated from the day following the expiry date stipulated by terminated license.

Article 38. Decisions on licenses, extension of the validity of the license, procedures for the registered changes to enter into force

1. The licenses, decisions on extension of the validity of the license or registered changes shall enter into force on the day following the day they are delivered or sent to the licensee in a due manner.

2. The documents mentioned in the part 1 of this Article shall be sent to the address of the licensee's residence, unless another address is provided in the respective application.

Article 39. Appealing against applications' dismissal, decisions on the suspension of the validity of the license or results of the qualification tests

1. The decision on issuing a license or extension of the validity of the license, or reformulation of the license, or providing a copy of the license or license transcript, or dismissal of the application for changing the location of activities or for performing the same activity subject to licensing in other place as well, or the decision on suspension of the validity of the license, or decision of the licensor on dismissal of the suspension

of the validity of the license, as well as the results of the qualification test may be appealed according to judicial procedures or by appealing to higher authorities.

2. The applicant or the licensee may appeal against the decisions of the licensors on the dismissal of an application within one month following the day the respective dismissal is received.

3. The licensors shall consider appeals in commissions established for that purposes or according to the hearings procedure.

The appellate commissions shall consider appeals according to the procedure stipulated by Articles 40 and 41 of this Law.

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Considerations of appeals according to the hearings procedures shall be carried as stipulated by Article 42 of this Law.

4. The appeals shall be considered within 10 days following the day the appeal is filed by the licensor.

#### CHAPTER VI. THE PROCEDURE OF CONSIDERING THE ISSUES BY THE COMMISSIONS ESTABLISHED BY THE LICENSORS AND ACCORDING TO HEARINGS PROCEDURE

Article 40. The procedure of consideration of issues in the commissions

1. The commissions shall consider issues during their sittings.

The commission sittings shall be competent to consider issues and make decisions if more than half of the commission members participate in the sitting.

The commission shall adopt decisions by simple majority of votes of the members participating in the sitting, by a closed secret balloting. In case of a tie the decision shall be deemed in favor of the applicant or the licensee (hereinafter referred to as "invited person").

2. During considerations the chairman of the commission sitting shall declare the issues to be considered and introduce persons invited for the considerations, explain participants of the consideration their rights and responsibilities, disclose the contents of the applications and other documents under consideration.

3. The invited person shall be duly informed about consideration no later than 7 days prior to the consideration and informed about the place (address), date and hour of the consideration.

The commission shall publish information in the press about the place, time and the issues to be considered at its regular sittings no later than 5 days prior to the sitting.

4. The failure of the invited person to participate in the considerations of issues shall not be a ground for non-consideration or dismissal of issues under consideration, unless the invited person asks to hold the consideration in another time. Such request of the invited person may be satisfied, if he/she has been absent from consideration due to reasonable excuse and if the postponement of the consideration will not violate the dates of considerations provided by this Law.



5. The invited person shall have the right to call a specialist, an expert, an auditor, a lawyer or a translator to participate in the consideration. The invited person or the defender of his/her rights shall have the right to make appearances, answer the questions of commission members or to bring motions.

6. The considerations shall be open. The consideration of issues relating to information containing state, service or bank secrets shall be closed-door.

At the request of the invited person, the discussion may be closed-door, if any information containing commercial secrets is to be disclosed during discussions.

Journalists, specialists, officials and other persons can participate in the considerations of issues during open considerations. The procedure for the open consideration of issues may be video recorded, filmed and recorded.

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7. The commission shall make its decision after consideration of the issue in a separate room, behind closed doors. Only commission members shall be present in that room while commission makes its decision.

8. The conclusions of the commission shall be made public and properly delivered or sent to the invited person.

9. The conclusion of the commission shall be delivered to the head of the licensor on the day it has been drawn. The licensor is obliged to make a decision on the basis of the conclusion of the commission within two days following the day the conclusion is drawn. Where no decision is taken during such period, the decision of the commission becomes a decision of the authorized body except for the case stipulated by Article 39 of this Law.

10. The conclusions of the commission shall have no legal force if drawn in violation of the requirements of this Article.

#### Article 41. Protocols of the commission's sittings

1. The consideration of issues in the commission's sittings shall be recorded in a protocol stating:

- 1) the date and location of the commission's sitting;
- 2) the type and member constitution of the commission;
- 3) the content of the considered issue;
- 4) information on participants of the consideration;
- 5) explanations of participants, their motions and results of their discussions;
- 6) documents investigated during consideration and other evidences;
- 7) content of the commission's conclusion;
- 8) information on the publication of the adopted conclusion.

2. The Chairman and the Secretary of the sitting shall sign the protocol of the commission's sittings.

#### Article 42. The hearings procedure

1. The consideration of the applications according to the hearings procedure shall be organized by persons authorized by the licensor.
2. In regard to the consideration of the application according to the hearings procedure, the time period for consideration of the application stipulated by this Law may be extended by 7 days.
3. The applicant shall be invited to the consideration of the application carried according to the hearings procedure. The applicant shall be notified in a due manner about consideration of the application and informed about the place (address), date and time of the consideration at least 5 days prior to consideration.
4. When considering the application according to the hearings procedure, the application to be considered and the invitees to the consideration shall be announced; the

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applicant shall be explained about his/her rights and obligations; the content of the application or other documents shall be publicized.

The non-participation of the applicant at the consideration of the application shall be deemed a ground for non-consideration of the application, unless the applicant requests to hold the consideration of the application at another time. Such request of the applicant can be satisfied if the applicant cannot participate in the consideration due to justified reasons, and if the delay of the consideration will not breach the time periods of consideration of the applications stipulated by this Law.

5. The applicant shall have the right to involve in the consideration a specialist, an expert, an auditor, a lawyer or a translator. The applicant and/or defenders of his/her interests shall have the right to make appearances, answer questions of the members of the working group, to bring motions or make recommendations.

6. The considerations of the applications shall be open. Applications relating to information deemed a state, service or banking secret shall be considered behind closed doors.

On the applicant's request, the consideration can be closed-door, if information containing commercial secret will be revealed during the consideration of the application.

#### CHAPTER VII. TYPES OF ACTIVITIES SUBJECT TO LICENSING

#### Article 43. The list of types of the activities subject to licensing

1. An activity shall be deemed subject to licensing, if it is included in the table of this Article.
2. Table of types of activities subject to licensing

No.	Type of activity subject to licensing	Licens or	Type of a license	Area	Expertise requirement	By tender	Qualification requirements	Reporting requirements	
1	2	3	4	5	6	7	8	9	10

1. SECURITY SECTOR

1	Production of explosive materials	GoA	C	-	E	-	-	R	L
2	Production of weapons	GoA	C	-	E	-	-	R	-
3	Trade in of weapons	AB	C	-	E	-	-	R	L
4	Collection and exhibition of weapons	AB	C	-	E	-	-	R	L
5	Acquisition of weapons	AB	C	-	E	-	-	-	-
6	Production or trade in of narcotic drugs, anesthetic and radioactive	GoA	C	-	E	T	-	R	L

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materials

7	Money printing or coining, preparation or production of state medals, stamps and seals	GoA	C	-	E	T	-	R	L
8	Import or export of narcotic drugs	GoA	C	-	-	-	-	R	-

9	Import and export of ionizing radiation sources (equipment and semi-finished products) having a short guarantee term	GoA	C	-	E	-	Q	R	-
10	Production of explosives or equipment for explosions	GoA	C	-	E	-	Q	R	-
11	Trade in of explosive materials or equipment for explosion	AB	C	-	-	-	-	R	L
12	Explosive works	AB	C	-	-	-	Q	R	-
13	Production, import or trade in of fireworks materials	AB	S	-	-	-	-	-	-

## 2. TRADE SECTOR

1	Organization of trading in the exchanges (non-stock )	SC	C	AB	C	-	E	-	-
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## 3. HEALTH SECTOR

1	Production of medicines	AB	C	-	E	-	-	R	L
2	Trade in of medicines	AB	S	-	-	-	-	-	-
3	Trade in of herbs	AB	S	-	-	-	-	-	-
4	Pharmaceutical activities	AB	C	-	-	-	Q	-	L
5	Medical aid and services by organizations or individual entrepreneurs	AB	C	-	-	-	Q	-	-
6	Genetic engineering	GoA	C	-	E	-	Q	R	-
7	Implementation of medium professional and high medical educational programs	AB	C	-	E	-	-	-	-

## 4. CURRENCY REGULATION SECTOR

1	Foreign currency trading	CB	C	-	R	Q	-	L	
2	Organization of foreign currency auctions	CB	C	A	-	R	-	-	L

## 5. SECURITIES TURNOVER SECTOR

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1	Printing of securities forms	SC	C	-	E	R	L	-	-	
2	Professional activities in the securities market	SC	C	-	-	-	Q	R	-	
6. BANKING AND FINANCIAL ORGANIZATIONS SECTOR										
1	Banking activities	CB	C	-	E	-	Q	R	L	
2	Organization of pawnshops	CB	C	-	-	-	-	R	L	
3	Activities of investment companies, investment funds	SC	C	-	E	Q	R	-	-	
4	Insurance activity	AB	C	-	E	-	Q	R	-	
5	Rendering of collection services	AB	S	A	-	-	-	-	-	
6	Insurance brokerage and mediation	AB	C	-	-	-	Q	-	-	
7	Rendering of audit services	AB	C	-	-	Q	-	-	-	
7. AGRICULTURAL SECTOR										
1	Veterinary	AB	S	A	-	-	-	-	-	
2	Bloodstock breeding	AB	C	A	-	-	-	-	-	
8. POWER ENGINEERING SECTOR										
1	Production, import and export, transport, distribution and trade in of natural gas	EC	C	A	-	-	-	R	-	
2	Production, import, transmission, export, distribution and trade in of electrical energy	EC	C	A	-	-	-	R	-	
3	Production, import and export, transport, distribution and trade in of thermal energy	EC	C	A	E	-	-	R	-	
4	Rendering services on transmission and centralized regulation of electrical energy	EC	C	A	-	-	-	-	L	
5	Construction of new capacities in the fields of electrical and thermal powers	EC	C	A	-	-	-	-	-	
9. EDUCATION SECTOR										
1	Implementation of basic general educational programs	AB	C	A	-	-	-	-	-	
2	Implementation of secondary (full) general educational programs	AB	C	A	-	-	-	-	-	

3	Implementation of special general educational programs	AB	C	A	-	-	-	-	-	-
4	Implementation of medium professional educational programs, excluding medical medium professional programs	AB	C	A	-	-	-	-	-	-
5	Implementation of higher professional educational programs, excluding medical programs	AB	C	A	-	-	-	-	-	-
10. TELECOMMUNICATIONS SECTOR										
1	Rendering of telephone services	AB	C	A	T	-	-	-	-	L
2	Rendering of telegraphic communication services	AB	C	A	-	-	-	-	-	-
3	Rendering of data transmission services	AB	C	A	-	-	-	-	-	-
4	Rendering services on broadcasting of radio-television programs	AB	C	A	E	-	-	-	-	-
5	Production, trade in or import of radio-electronic devices within the frequency range above 9KHz and 400	AB	C	A	E	-	-	-	-	-
6	Production of radio-television programs	SCRT	C	-	-	-	-	-	-	-
7	Broadcasting of radio-television programs	SCRT	C	-	-	T	-	-	-	-
8	Production and broadcasting of radio-television programs	SCRT	C	-	-	T	-	-	-	-
11. CUSTOMS SECTOR										
1	Maintenance of goods under customs control in the customs warehouse	AB	C	-	-	-	-	-	-	L
2	Trade in of goods under customs control in duty-free shops	AB	C	-	-	T	-	-	-	L
3	Maintenance of goods in free customs warehouse	AB	C	-	-	-	-	-	-	L
4	Customs mediation	AB	S	A	-	-	-	-	-	-
5	Activities of a customs carrier	AB	C	A	-	-	-	-	-	-
12. NUCLEAR POWER SECTOR										
1	Works on selection, construction, putting into operation, operation,	GoA	C	-	E	-	Q	R	L	-

usage, maintenance and removing away from operation of nuclear and radioactive waste stations, sources and storages of ionization radiation

2	Works with radioactive wastes of nuclear and radioactive materials, including transportation, usage, storage, reprocessing and burial of such materials	GoA	C	-	E	-	-	R	L
3	Import and export of nuclear, radioactive and special materials, radioactive wastes, special equipment, technologies	GoA	C	-	E	-	-	R	L
4	Design and preparation of materials, equipment and systems for projects using atomic energy	GoA	C	-	E	-	Q	R	L
5	Expertise of projects using atomic energy, their designs and other documents	GoA	C	-	E	-	Q	R	L

### 13. ENVIRONMENT PROTECTION SECTOR

1	Reprocessing, neutralization, storage, transport and placement of dangerous wastes	GoA	C	-	E	-	Q	R	L
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### 14. Quality, Standardization, Certification, Measurement Sector

1	Production and repair of measurement means	AB	C	A	E	-	-	-	-
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### 15. Lotteries and Price Games Sector

1	Organization of lotteries	AB	C	-	-	-	-	R	-
2	Organization of price games	AB	C	-	-	-	-	-	L
3	Organization of gambling halls	AB	C	-	-	-	-	R	L

### 16. TRANSPORT SECTOR

1	Activities of scheduled air transport	AB	C	-	E	-	Q	R	-
2	Activities of not-scheduled air transport	AB	C	-	E	-	Q	R	-
3	Organization of railroad transport	AB	C	A	E	-	Q	R	-

### 17. URBAN CONSTRUCTION SECTOR

construction in the following fields of urban construction:

civic	AB	C	A	-	-	-	-	-
industrial	AB	C	-	-	-	-	-	-
transport	AB	C	-	-	-	-	-	-
hydro technical	AB	C	-	-	-	-	-	-
power engineering	AB	C	-	-	-	-	-	-
communication	AB	C	-	-	-	-	-	-
special	AB	C	-	-	-	-	-	-

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Capital construction in the following fields of civil construction:

civic	AB	C	A	-	-	-	-	-
industrial	AB	C	-	-	-	-	-	-
transport	AB	C	-	-	-	-	-	-
hydro technical	AB	C	-	-	-	-	-	-
power engineering	AB	C	-	-	-	-	-	-
communication	AB	C	-	-	-	-	-	-
special	AB	C	-	-	-	-	-	-

#### 18. ACTIVITIES IN OTHER FIELDS

1	Statutory expertise examinations of types of activities subject to licensing	AB	C	A	E	-	-	-	-
2	Non-official publication, duplication or official re-publication of laws and legal-normative acts	AB	S	A	-	-	-	-	-
3	Implementation of activities of an administrator on insolvency issues of insolvent enterprises	AB	C	A	-	-	Q	-	-
4	Site and cadastre mapping	AB	C	A	-	-	-	-	-
5	Evaluation of real estate	AB	C	A	-	-	Q	-	-
6	Realtor activity	AB	C	A	-	-	Q	-	-
7	Foodstuff production	AB	S	-	-	-	-	-	-



3. The natural and legal persons are entitled to perform types of activities not specified in the table of this Article without limitation, if such activity is not prohibited by law.

4. The licensors are designated by abbreviations in the third column of the table of this Article. The abbreviations in the table shall be disclosed as follows:

GoA - Government of the Republic of Armenia

CB - Central Bank of the Republic of Armenia

EC - Energy Commission of the Republic of Armenia

SC - Securities Commission of the Republic of Armenia

SCRT - State Commission of the Republic of Armenia on Radio and Television

AB - Public Administration Body, authorized by the Government of the Republic of Armenia

5. The abbreviations in column 4 of the table of this Article shall specify types of licenses. The abbreviations in the table shall be disclosed as follows:

S - license issued through simple procedure;

C - license issued through compound procedure.

6. Types of activities designated with the letter "A" in column five of the table of this Article shall not require any license, if such activities are performed for non-entrepreneurial (economic) purpose.

7. The law or licensing procedures may require expert conclusions for goods, subjects, equipment or documents submitted for licensing only for types of activities designated with the letter "E" in column 6 of the table of this Article.

8. The license for types of activities designated with the letter "T" in column 7 of the table of this Article shall be issued only through a tender.

9. The testing of professional qualification of natural persons may be carried only for issuing a license for type of activities designated with the letter "Q" in column 8 of the table of this Article.

10. The licensors shall have the right to demand reports or information related to the licensed activity only from the licensees performing types of activities designated with the letter "R" in column 9 of the table of this Article.

11. Only the licensees performing types of activities designated with the letter "L" in column 10 of the table of this Article are obligated to perform activities subject to licensing only in the location stated in the license.

12. The clarifications of the types of activities subject to licensing are presented in accordance with the respective laws of the Republic of Armenia and "The general classifiers of economic activities".

Article 44. The responsibility of the licensor for issuing licenses in violation of the requirements of this Law

Where the licensor issues a license in violation of the requirements of legislation, and as a result of which the licensee causes damage to natural or legal persons, the Republic of Armenia shall bear joint liability together with the licensee.

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Article 45. The responsibilities of officials for the violation of the requirements of this Law

A violation of the requirements of this Law shall bear responsibilities as provided by law.

The State shall be obligated to compensate the applicant or the licensee for the losses incurred in a result of receiving or reformulation of the license, extending the validity of the license, changing the location of performing activities or performing same activities subject to licensing in another place as well, illegal dismissal of applications to receive a copy of the license or its transcripts, or illegal suspension of the validity of the license.

Article 46. Performance of activity subject to licensing without a license

1. It is prohibited to perform activities subject to licensing under this Law without license.

Performance of an activity subject to licensing under this Law without a license shall bear responsibility as provided by law.

2. The absence of a record on the licensed type of activity in the state registration certificate or in the charter of the licensee cannot be deemed a violation of the license terms or conditions, nor can it bear any responsibility.

Article 47. Settlement of disputes arising during the period of effectiveness of this law

Disputes arising during the validity of this Law shall be settled under judicial procedures prescribed by this Law.

#### CHAPTER IX. TRANSITIONAL PROVISIONS

Article 48. Transitional provisions

1. This law shall enter into force from the moment of its promulgation.

This law, with respect to types of activities subject to licensing provided by Article 43, which were not deemed types of activities subject to licensing by law or other legal acts before the moment the law enters into force, shall enter into force after six months from the moment of the promulgation of the law.

2. The licenses issued in accordance with the legislation of the Republic of Armenia before the law enters into force shall be valid until the license expires.

3. The new activity may be recognized licensed not earlier than 6 months after the promulgation of the respective law.

4. Any change in the terms and conditions of the license, which limits the rights of the licensee or stipulates new responsibilities for him/her, shall become effective not earlier than 6 months after the promulgation of the respective change.

5. Where there are any changes in the licensing terms and conditions, the formerly issued license maintains its legal validity for the period stipulated by this Law.

6. Until this Law enters into force, the licensing procedures adopted by the Government of the Republic of Armenia, Central Bank of the Republic of Armenia, Energy Commission of the Republic of Armenia, Securities Commission of the Republic of Armenia and State Commission on Radio and Television of the Republic of Armenia are effective to the extent they do not contradict the requirements of this Law.

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In such cases, where according to this Law, the license shall be issued pursuant to the licensing procedure, and such procedure is not stipulated by bodies provided by this Law, the license shall be issued according to simple procedures, until the relevant procedures are stipulated.

7. Until the Government of the Republic of Armenia specifies the licensors for licensing individual types of activities according to this Law, the relevant types of licenses shall be deemed not subject to licensing.

The President of the Republic of Armenia R.Kocharyan

June 27, 2001.

AL-193

THE LAW OF THE REPUBLIC OF ARMENIA ON MAKING AMENDMENTS IN THE LAW OF THE  
REPUBLIC OF ARMENIA ON LICENSING

Adopted on July 27, 2001

Article 1. Points 8 and 17 of Article 43 of the Law of the Republic of Armenia on Licensing shall be set out in following wording:

8. POWER ENGINEERING SECTOR

1	Transport, distribution, import and export of natural gas; construction of networks for transportation and distribution of natural gas	EC C A - - - R L
2	Construction and rehabilitation of power stations, production of electricity (including combined production of thermal and heat energy), transmission, distribution, export and import of electricity, construction of networks for transmission and distribution	EC C A - - - R L
3	Construction and rehabilitation of thermal stations; production, transportation, distribution of thermal energy; construction of networks for transportation and distribution of thermal energy	EC C A - - - R L
4	Rendering services of the operators of electric power engineering and gas supply systems	EC C A - - - R L
5	Services rendering to the power engineering market	EC C A - - - R L

17. URBAN CONSTRUCTION SECTOR

1		Elaboration of urban construction documents, engineering survey and expertise in the area of capital construction by the following fields of urban construction:
civic	AB	C - - - - -
industrial	AB	C - - - - -
transport	AB	C - - - - -
hydro technical	AB	C - - - - -

power engineering		AB					C	-	-	-	-	-	-
communication	AB	C	-	-	-			-		-			-
special	AB	C	-	-	-			-		-			-
2						Capital construction in the following fields of urban construction:							
civic	AB	C	A	-	-			-		-			-
industrial	AB	C	-	-	-			-		-			-
transport	AB	C	-	-	-			-		-			-
hydro technical	AB	C	-	-	-			-		-			-
power engineering	AB	C	-	-	-			-		-			-
communication	AB	C	-	-	-			-		-			-
special	AB	C	-	-	-			-		-			-

Article 2. This law shall enter into force from the moment of its promulgation

The President of the Republic of Armenia R.Kocharyan

August 14, 2001.

AL-202

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