

LAW OF THE REPUBLIC OF ARMENIA

ON STATE PENSIONS

**CHAPTER 1.
GENERAL PROVISIONS**

Article 1. The Pension System of the Republic of Armenia

1. The pension system of the Republic of Armenia incorporates:

- 1) the state pension security;
- 2) the mandatory funded pension component;
- 3) the voluntary funded pension component.

2. The relationships pertaining to the state pension security, mandatory funded pension component and voluntary pension component shall be regulated by the laws of the Republic of Armenia.

3. The state pension security (hereinafter referred to as the state pension system) secures pensions to individuals in the cases and in the manner prescribed by law at the cost of the State budget.

4. The mandatory funded pension component shall ensure the payment of funded pension benefits to individuals as prescribed by law from mandatory funded contributions and return on their investment when these individuals reach the age entitling them to an old age labor pension.

5. The voluntary pension component shall ensure the payment of supplementary pension (income) to individuals from voluntary funded contributions and return on their investment or insurance fees when these individuals reach the age entitling them to an old age labor pension.

Article 2. Subject of the Law

1. This Law regulates the relationships pertaining to the management and financing of the state pension security, the types of state pensions, conditions and procedures for calculating (recalculating), granting and paying pensions.

2. Other conditions of pension security may be laid down for individual groups of citizens under the laws of the Republic of Armenia.

Article 3. Legal Framework of the State Pension Security



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The relationships pertaining to the state pension security are regulated by the Constitution of the Republic of Armenia, international treaties of the Republic of Armenia, this Law, other laws and other legal acts.

Article 4. The Principles of the State Pension Policy

The principles of the state pension policy shall be as follows:

- 1) ensuring the pension right, irrespective of nationality, race, sex, language, religion, political or other views, social origin, property or other status;
- 2) ensuring the financial sustainability and development of the state pension system;
- 3) ensuring social solidarity and social justice;
- 4) ensuring a minimal amount of pension which is compatible with the minimal consumer budget.

Article 5. State Authorized Body of the Pension System

The state authorized body of the pension system (hereinafter, authorized body) shall be defined by the Government of the Republic of Armenia.

Article 6. Funds Used for Paying Pension Benefits

The pensions identified in this Law shall be payable from the funds of the State budget of the Republic of Armenia.

Article 7. Right to Pension and Eligibility for Receiving Pension

1. The citizens of the Republic of Armenia, foreign citizens or stateless persons who meet the conditions specified in this Law shall have the right to a pension unless otherwise established by this Law.

A foreign citizen or a stateless person shall have the right to a pension and be eligible for a pension during the period of his or her entitlement to reside in the Republic of Armenia. Furthermore, foreign citizens who do not have the status of a refugee in the Republic of Armenia shall be entitled to a pension if they are not paid a pension by the state of their citizenship.

Persons with dual citizenship of the Republic of Armenia shall be entitled to a pension if they permanently or predominantly reside in the Republic of Armenia (is registered with the state register of population of the Republic of Armenia at the address of place of residence in the Republic of Armenia) and are not paid a pension by another state.

2. The individual entitled to receive a pension benefit under this Law shall be eligible for a pension, provided he or she has, in the manner established by the legislation, applied to the respective unit of the body responsible for granting pensions (hereinafter referred to as pension granting unit) and has been granted a pension (hereinafter, referred to as a pensioner).

3. The individual who is eligible to receive various types of pensions financed from the State budget shall have the right to one type of pension selected at his or her own discretion.

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4. No social pension may be granted to the individual who is entitled to receive a labor or military pension as prescribed in this Law.

Article 8. Types of Pensions

The below types of pensions are established by this Law:

1. Labor:

- 1) old age,
- 2) privileged,
- 3) long service,
- 4) disability,
- 5) survivor's,
- 6) partial.

2. Military:

- 1) long-term service,
- 2) disability,
- 3) survivor's.

3. Social:

- 1) old age,
- 2) disability,
- 3) survivor's.

CHAPTER 2. LABOR PENSIONS

Article 9. Terms and Conditions for Granting of an Old Age Labor Pension

1. An old age labor pension shall be granted to any individual who has reached the age of 63, provided he or she has a length of service of 25 years.
2. A person having attained the age of 63 shall be granted labor pension even if the person has length of service for less than 25 years , provided he /she has at least a 10-years' length of service.

2. The length of service empowering an individual to receive an old age pension shall be defined in accordance with the table below:

Year of retirement	2012	2013	2014	2015	After 2016
Length of service	6 years	7 years	8 years	9 years	10 years

3. An old age occupational pension may be granted one year earlier from the age entitling a person to an old age labor pension, provided the person has the length of service of at least 35 years and is not employed.

4. The individual entitled to an old age labor pension may apply for a pension any time at his/her own discretion.

5. The old age labor pension shall be granted for the life-time period.

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Article 10. Terms and Conditions for Granting of Privileged Labor Pensions

1. A privileged pension (under List 1) shall be granted to individuals, who have reached the age of 55 and have at least a 25-year's length of service of which at least 15 calendar years count for employment under particularly hazardous, particularly heavy conditions and during the above period have worked on a full-time basis in an employment entitling them to a privileged pension.

Before reaching the retirement age specified in this clause, females shall be granted a pension in accordance with the below scale:

Date of Birth	Age	Year of Retirement
01.07.1958 - 31.12.1958	53	2011
01.01.1959 - 30.06.1959	53,5	2012
01.07.1959 - 31.12.1959	54	2013
01.01.1960 - 30.06.1960	54,5	2014
01.07.1960 - 31.12.1960	55	2015
and later		

2. A privileged pension (under List 2) shall be granted to individuals who have reached the age of 59 and have accrued length of service of at least 25 calendar of which at least 20 calendar years count for employment under particularly hazardous, particularly heavy conditions and during the mentioned period have worked on a full-time basis in an employment entitling them to a privileged pension.

Before reaching the retirement age specified in this Clause, females shall be granted a pension in accordance with the below table:

Date of Birth	Age	Year of Retirement
01.07.1953 - 31.12.1953	58	2011
01.01.1954 - 30.06.1954	58,5	2012
01.07.1954 - 31.12.1954	59	2013
and later		

3. Individuals suffering from hypophyseal dwarfism (nanuses) who have at least 20 calendar years of length of service may receive a privileged pension upon reaching the age of 45.

4. The privileged pension shall be granted to the individual before he or she reaches the statutory age entitling them for old age labor pension.

5. Lists 1 and 2 of productions, works, professions, positions entitling persons for the type of pension specified in Clauses 1 and 2 of this Article are approved by the Government of the Republic of Armenia.

Article 11. Terms and Conditions for Granting Long Service Labor Pension

1. Long service labor pension shall be granted to the below employees of civil aviation:

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1) members of flight command and air traffic control staff, air crews, flight operators and stewards: upon reaching the age of 45 if the duration of their service is at least 25 calendar years; individuals who have been released from air service for health reasons may be entitled to a long service pension if their length of service is at least 20 calendar years;

2) staff members of air traffic control service who have a dispatcher's certificate: upon reaching 50 years of age if the duration of their service is at least 25 calendar years out of which at least 15 calendar years count for employment in the air traffic control service; individuals who have been released from their service in air traffic control system for health reasons: upon reaching 50 years of age if the duration of their service is at least 25 calendar years out of which 10 calendar years count for their employment in air traffic control service;

3) the members of the engineering-technical staff: upon reaching 55 years of age if the duration of their service is at least 25 calendar years, out of which 20 calendar years count for occupations entitling them to a long service pension.

2. The long service labor pension shall be granted to the individual before he or she reaches the statutory age entitling him /her to an old age labor pension.

3. The list of positions entitling the individual to a long service labor pension shall be established by the Government of the Republic of Armenia.

Article 12. Terms and Conditions for Granting of the Disability Labor Pension

1. The individual who has been recognized as a person with disability by shall be granted the disability labor pension if at the time of recognizing his or her disability he or she has earned the following length of service:

Age Group	Length of Service expressed in calendar years
under 23	2 years
23 - 26	3 years
26 - 29	4 years
29-32	5 years
32-35	6 years
35-38	7 years
38-41	8 years
41-44	9 years
Above 44	10 years

2. An individual recognized as a person with disability due to an occupational injury or disease, shall be granted a disability labor pension, irrespective of his or her length of service.

3. The disability pension shall be granted for the entire period of disability.

Article 13. Terms and Conditions for Granting of Survivor's Labor Pension

1. The below family members of the deceased individual shall be granted a survivor's labor pension:

(a) a child under the age of 18;

(b) brother, sister and grandchild under the age of 18, provided their parents have a 3rd category limitation of working capacity;

(c) a disabled child aged 18 or above, provided he or she has been recognized as disabled before reaching the age of 18 and has a 3rd category limitation of working capacity and is not employed;

(d) parents, spouse who have reached the old retirement benefit age or are recognized as disabled, provided they are not employed;

(e) spouse or any other capable adult member of the family or a person recognized as custodian in the manner as established by law, regardless of his or her age, provided he or she is the caretaker of the deceased breadwinner's child, brother, sister or grandchild entitled to a pension in the manner established by this Article who is under 14 and is not employed;

(f) grandparents, provided they are not employed and have no children or their children have a third category limitation of working capacity.

Persons specified in Clause 1, points (1), (3) and (4) of this Article shall be granted a survivor's pension, irrespective of whether they have been under the custody of the deceased person.

In case a full-time student of an educational institution loses his/her benefactor, s/he shall be granted a survivor's pension until graduating from the educational institution, however before attaining the age of 23.

Persons envisaged in points "2" and "6" and "5" of Clause 1 of this Article shall be granted a survivor's pension for losing the benefactor of another capable person, provided on the day of the death of the breadwinner they resided together in the same apartment (address) according to data available with the state register of population of the Republic of Armenia.

2. Minors receiving a survivor's pension shall preserve the right to the mentioned pension also after their adoption.

3. An adopter shall be equally entitled to a survivor's pension as a parent, and an adoptee shall be equally entitled to a survivor's pension as one's own child. An adoptee receiving a survivor's pension shall have the right to select a type of pension in case of the death of his or her breadwinner.

4. A step-father and a step-mother shall be equally entitled to a survivor's pension as a father and mother if they have taken care of the deceased underage step-son or step-daughter for at least 5 years as a minor.

A step-son and a step-daughter shall be equally entitled to a survivor's pension as one's own son and daughter.

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6. The provisions of this Article shall also apply with respect to the family members of the individual recognized as deceased, as prescribed in this Article. When granting a survivor's pension to the family members of the individual recognized as deceased, the effective date of the court order on recognizing the individual as deceased or the date of death identified in the valid court order shall be treated as the date of passing away of the above individual.

6. A general pension shall be granted for the entire period of pension eligibility to all family members entitled to receive a survivor's pension upon the death of their breadwinner.

7. A survivor's labor pension shall be granted if as of the date of his or her death the breadwinner has earned the minimum length of service entitling him or her to old age labor pension as envisaged in Article 9, Clause 2 of this Law.

8. In case of the death of a person recognized as disabled, a survivor's pension shall be granted to his or her eligible family members if as of the date of his or her death the breadwinner has earned the required length of service as specified in Article 12 of this Law.

Family members of a person who has died as a consequence of an occupational accident or an occupational disease shall be granted a survivor's pension, irrespective of the length of service of such a deceased person.

9. In case of losing a benefactor, the survivor's pension shall be granted for the whole period of entitlement to such a pension.

Article 14. Terms and Conditions for Granting of a Partial Pension

1. A partial pension shall be granted to:

1) persons employed in the education sector, certain categories of workers of culture, upon reaching the age of 55 if they have at least 25 calendar years' length of service; out of which at least 12 calendar years count for their professional length of service;

2) certain categories of actors of theatrical and theatrical and show organizations: upon reaching the age of 50, provided they have at least 25 calendar-years' length of service out of which at least 12 calendar years count for their professional length of service;.

3) persons identified in sub-clauses 1 and 2 of this Clause, who before the enactment of this Law have been registered in the manner prescribed by legislation for granting a partial pension (have earned at least a 12 calendar years' professional length of service) and have reached the statutory age entitling them to a partial pension as prescribed herein.

2. A partial pension shall be calculated in proportion to the professional length of service.

3. The professional length of service entitling a person to a partial pension shall incorporate the time periods having engaged in professions and positions until August 1, 2003 enlisted in the list defined by the Government of the Republic of Armenia.

The time period having worked simultaneously in more than one job shall not count towards the professional length of service.

4. Partial pension shall be granted to the beneficiary until he or she reaches the old age labor pension age.

Article 15. Procedure of Calculation of the Size of Labor Pension

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1. The amount of the labor pension is the sum of the basic pension and the labor portion of the pension benefit.

The labor portion of the pension benefit is the product of the years of service, annual service value and personal coefficient of the beneficiary.

The occupational pension shall be calculated based on the following formula:

$P=B+(N \times V) \times C$, where:

P is the monthly pension amount,

B is the basic pension amount;

N is the years of service;

V is the service value per year;

C is the pensioner's personal coefficient.

2. When assessing the personal coefficient of the pensioner, the length of service of 25 calendar years entitling to the labor old age pension shall be used as a basis.

The coefficient per year of up to 25-years' length of service (inclusive) shall be defined as 0,04 and the coefficient per year of over 25 years' service shall be 0,02.

A personal coefficient of a pensioner shall be calculated according to the following formula:

a) For years of service up to 25 years (inclusive): $C=0.04 \times N$;

b) For years of service over 25 years:

$$C=1+0.02 \times (N-25).$$

3. For individuals born on and after January 1, 1974, only the period of employment and other activities not prohibited by the legislation of the Republic of Armenia before January 1, 2014 shall be taken into account, except for the case of calculating the individual coefficient of the pensioner.

4. When calculating the size of the labor disability pension, the size of the basic pension shall equal to:

1) for the first severity group: 140 percent of the basic pension;

2) for the second severity group: 120 percent of the basic pension;

3) for the third severity group: 100 percent of the basic pension.

5. A survivor's labor pension at the amount of the basic pension shall be granted to each eligible member of his or her family by adding 40 percent of the labor portion of the deceased provider's to the basic pension.

The size of the labor pension for each child who has lost both parents shall be calculated by adding to the five-fold amount of the basic pension 40 percent of the labor portion of pension calculated (supposed) for each deceased parent.

The size of the survivor's labor pension of a child between 18 and 23 years of age, considered as a full time student of an education institution, who has lost both parents, shall be calculated in the manner prescribed by paragraph 2 of this Clause.

Article 16. Size of Basic Pension and Yearly Service Value

1. The size of the basic pension and annual value of the length of service shall be defined by the Government of the Republic of Armenia.

2. The size of the basic pension and annual service value may not be less than the formerly established size of the basic pension and annual service value.

CHAPTER 3.

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MILITARY PENSIONS

Article 17. Right to the Military Pension

The following persons shall be eligible for a military pension:

- 1) The command and non-command staff (commissioned and non-commissioned officers, common staff) (hereinafter, the military servant) of the defense, police, the executive bodies of national security, and the Rescue Service of the Republic of Armenia (hereinafter, referred to as respective authorities);
- 2) Enlisted persons liable for military service and participants of military defense operations of the Republic of Armenia;
- 3) Persons serving in the penitentiary institutions and the persons serving in the enforcement of judicial acts service under the Ministry of Justice of the Republic of Armenia.

Article 18. Terms and Conditions for Granting of Long Term Military Service Pensions

1. A long term military service pension shall be granted to the following military servants who have served in the respective authorities, as well as penitentiary institutions and court act enforcement services (hereinafter also referred to as the military servant) as prescribed by the laws regulating the service in the above-listed institutions and:

- 1) Have at least 20 (calendar) years' length of military service at the time of their due retirement from the military service (hereinafter the military service);
 - 2) In connection with attaining of the retirement age for militaries have at least 25 years' length of service at the time of their retirement from the military service because of old age or health status of which at least 12 years and 6 months count for their military service.
 - 3) At the time of retiring due to a redundancy plan have reached the age of 45 and have earned at least a 25 calendar years' length of service out of which at least 12 calendar years, 6 calendar months count for their military service.
2. The military servant shall be granted a pension upon his /her retirement in the manner prescribed by Law.
3. The long service military pension shall be granted for the lifetime.

Article 19. Procedures for Calculating the Size of Long Service Military Pension

1. The long service military pension shall be calculated in the following manner:
 - a) For military servants identified in Article 18, Clause 1, sub-clause 1 of this Law at 70% of the monthly cash benefit and food allowance. For each full year of military service above 20 years, 2 percent of the monthly cash benefit and food allowance shall be added to the long service pension, and it shall be supplemented by 1 percent of the monthly cash benefit and food allowance for each full year of service preceding the military service;
 - b) For military servants identified in Article 18, Clause 1, sub-clauses 2 and 3 of this Law, 65% of the monthly cash benefit and food allowance. For each full year of military service exceeding 12 years and 6 months, the amount of long service

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pension shall be supplemented by an additional 1% of the monthly cash benefit and food allowance which, however, shall not exceed 5% of the pension amount. For each year of service exceeding 25 years (including the military service calculated under privileged terms), the amount of long service pension shall be supplemented by 1% of the monthly cash benefit and food allowance.

2. The amount of military pension shall not exceed the monthly cash benefit and food allowance.
3. Supplements to the monthly salary of a person having a length of service of 20 calendar years qualifying for a long service military pension, who continues his or her military service shall be paid in the manner and at amounts set out by the Government of the Republic of Armenia.

Article 20. Conditions and Terms for Granting of Disability Military Pension

1. A disability military pension shall be granted to military servants recognized as disabled by the competent state body responsible for conducting medical-social examinations, who become disabled in the course of their military service or five years after their due retirement as a consequence of a sickness or injury occurred when still in service.

2. The disability military pension shall be granted irrespective of the duration of the military service.

3. The disability military pension shall be granted for the entire period of disability.

Article 21. Manner of Calculating the Size of the Disability Military Pension

The disability military pension shall be calculated as follows:

- 1) For persons with Category 1 disability, 70% of the monthly cash benefit and food allowance which, however, shall not be less than 150% of the official basic pension as defined by the legislation;
- 2) For persons with Category 2 disability, 60% of the monthly cash benefit and food allowance which, however, shall not be less than 110% of the official basic pension as defined by the legislation;
- 3) For persons with Category 3 disability, 40% of the monthly cash benefit and food allowance which, however, shall not be less than 75% of the official basic pension as defined by the legislation.

The amount of disability military pension of enlisted common-rank military servants shall be equal to the one and a half amount of the minimal pension as defined in this Article.

Article 22. Terms and Conditions for Granting of Survivor's Military Pension

1. A survivor's military pension shall be granted to family members of a deceased military servant in the manner defined in Article 13 of this Law, despite of the reason of death, past period and term of service of military servant.

2. The provisions of this Article shall also be applicable with respect to the following:

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- 1) Family members of duly retired military servants who have died - irrespective of the date of their death – because of an injury or sickness occurred during their service;
- 2) Family members of military servants who have been recognized as missing or deceased during the service or when performing their military duties.
3. A survivor’s pension shall be granted also to the family members of former military servants duly retired from military service and eligible for a pension who have not applied for a pension and have died during the first six months after their due retirement.

Article 23. Manner of Calculating the Survivor’s Military Pension

1. The survivor’s military pension shall be calculated as follows:
 - 1) For each child, 40% of the cash benefit and food allowance paid to the deceased breadwinner;
 - 2) For each child under the age of 18 who has lost both of his or her parents, 60% of the cash benefit and food allowance paid to the deceased breadwinner which, however, shall not be less than the 5-fold amount of the legally established basic pension;
 - 3) For each other family member mentioned in Article 13 of this Law, 30% of the cash benefit and food allowance paid to the deceased breadwinner.
2. The amount of the survivor’s military pension payable to each family member of a deceased enlisted common-rank servant shall be equal to 150 percent of the basic pension, and for each parentless child under the age of 18 it shall be equal to the 5-fold amount of the basic pension.
3. The size of the survivor’s military pension of a child between 18 and 23 years of age, who is a full time student of an educational institution and have lost his/her both parents shall be calculated in the manner prescribed by this Article for calculation of the pension of a minor under the age of 18.

Article 24. Manner of Determining the Monthly Cash Benefit

1. When granting a pension to the military servant, the monthly cash benefit defined for his/her most recent occupied position and the amount of food allowance shall be used as a basis for calculating his or her pension.
2. The types of payments included in the cash benefit shall be defined by the Government of the Republic of Armenia.

CHAPTER 4. SOCIAL PENSIONS

Article 25. Terms and Timeline for Granting of an Old Age Social Pension

1. An old age social pension shall be granted to individuals, who have reached the age of 65 and are not eligible for an labor pension.

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2. The person entitled to an old age pension may apply for a pension any time at his or her own discretion.
3. The old age social pension shall be granted for life.

Article 26. Terms and Timeline for Granting of Disability Social Pension

1. A disabled person not qualifying for an labor or military disability pension as provided in this Law, as well as a person who has been recognized as a “child with disability” shall be granted a disability social pension.
2. The disability social pension shall be granted for the entire period of disability.

Article 27. Terms and Timeline for Granting of Survivor’s Social Pension

1. A person, not qualifying for an labor or military survivor’s pension as provided in this Law, shall be granted a survivor’s social pension.
2. In case of losing the benefactor, pension shall be granted for the whole period entitled to the survivor’s pension.

Article 28. Manner of Calculating the Size of Social Pension

1. The size of the old age social pension shall be calculated at the amount of 100 percent of the basic pension.
2. The size of the disability social pension shall be calculated at:
 - 1) 140 percent of the basic pension for persons belonging to the first category disability group and those recognized as a “disabled child”;
 - 2) 120 percent of the basic pension for persons belonging to the second category disability group;
 - 3) 100 percent of the basic social pension for persons belonging to the third category disability group.
3. The size of the survivor’s social pension granted to each family member shall be calculated at the amount of the basic pension.

For each parentless child under the age of 18, the survivor’s social pension shall be calculated at the five-fold amount of the basic pension.

The size of the survivor’s social pension of a child having lost both parents between 18 and 23 years of age, who is a full time student of an educational institution, has shall be calculated in the manner prescribed by Clause 2 of this Article.

CHAPTER 5. PERIODS INCLUDED IN THE LENGTH OF SERVICE AND MANNER OF ITS CALCULATION

Article 29. Periods Included in the Length of Service

1. When granting a pension, the below-listed periods shall be counted towards the length of service:

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1) the period during which the individual has worked in the public service/ entered into employment arrangements with employers (performed hired work), generated income through the delivery of works or services under civil-legal contracts executed after January 1, 2013 and other types of activities, as well as employment and other activities performed in the territory of the USSR;

2) the period during which the individual has acted as a sole entrepreneur or worked in the capacity of a notary or during the period of paying license fees;

3) the period of military service as provided in Article 31, Clauses 1, sub-clauses 1 and 2 of this Law (other than the period of study at education institutions);

4) the entire period of disability if the individual has been recognized as a person with disability and has a 3rd degree incapability due to an occupational injury or disease, until when the individual reaches the age entitling him/her to an old age pension;

2. Where the individual has earned the length of service as specified in Article 9, Clause 2 of this Article necessary for granting a pension and in case of granting of disability pension, in case of availability of the length of service as specified in Article 12 of this Law, the following shall also be treated as part of his or her service:

1) the period of receiving an unemployment benefit;

2) the period during which any of the parents (adopters, custodians) has taken care of his or her disabled child until such a child reaches the age of 18, or the period during which an individual recognized as a custodian has taken care of a person with a first degree working incapacity where such a period shall not exceed ten years;

3) the period during which any of the parents (adopters) has taken care of each of his or her child until such a child reaches the age of two, provided the above period shall not exceed six years;

4) the period of cohabitation with one's spouse who has served as a militant in places (military locations) defined by the Government of the Republic of Armenia, provided the above period shall not exceed eight years;

5) the period of cohabitation with one's spouse who has been commissioned to a diplomatic service of a diplomatic mission of the Republic of Armenia in a foreign state, provided the above period shall not exceed five years;

6) the period of full-time study at educational institutions (other than general educational institutions), provided the above period shall not exceed six years;

7) thrice the length of periods of arrest, imprisonment and banishment of persons subjected to repression, prosecution and later on duly acquitted starting from 14 years of age;

8) time periods provided in Article 31, Clause 2, sub-clause 1 of this Law.

3. The periods of entering into employment relations with employers in the Republic of Armenia (performing hired work), acting as a sole entrepreneur, a notary, payer of license fees, owner of agricultural lands until the period of January 1, 2013 shall be included in the length of service provided:

1) The individual has been subject to mandatory pension social insurance and earned salaries;

2) The individual has been subject to mandatory pension social insurance and paid mandatory social contributions, and has contributed to the mandatory social insurance system before January 1, 2008 (hereinafter social contributions).

4. The periods of entering into employment relations with employers in the Republic of Armenia (performing hired work), acting as a sole entrepreneur, a notary, payer

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of license fees, owner of agricultural lands after January 1, 2013 shall be included in the length of service, if according to the data incorporated in the database specified in this Law

- 1) The person has received salary (income);
- 2) The person has paid income tax.

Article 30. Specifics of Calculating the Length of Service

1. When granting long service labor pensions to members of the civil aviation air command, air traffic control staff and air crews, the below periods shall be included in their length of service:

1) every 20 hours of flights on piston-engine airplanes shall be treated as a one-month's service;

2) every 12 hours of flights on jet planes, helicopters, special aircrafts (sanitary flights, air-chemical works, air photography, patrol, atmospheric probing, etc.), as well as every 12 hours of flights performed as a member of air command, air traffic control staff and air crews of escort groups accompanying aircrafts of other states, and flights performed during a study at higher and secondary educational institutions for professional development and qualification training of members of aviation air crews shall be treated a one-month's service;

3) one year's service as a member of air crews of emergency and rescue (search and rescue) units shall be treated as a year and a half service;

4) one year's service as a member of air crews of the DOSAAF (Voluntary Sport Union of Support to Army and Navy) and educational and sport aviation organizations shall be treated as a year and a half service, provided the academic-flight training plan is executed, and it shall be treated as a two-year's service if the performed flights involve complex or sophisticated maneuvers;

5) one year's service of parachutists and rescuers shall be treated as a year and a half service if the annual plan for flights from piston-engine airplanes, helicopters, dirigibles and aerostats, landings through special devices from helicopters suspended at the height of at least ten meters has been executed, and it shall be treated as two years' service if the annual plan for parachuting from airplanes and helicopters has been executed.

2. The length of service of flight operators and stewards shall be calculated by dividing the number of actual flight hours by the flight hours mentioned in Para 1 and 2, Clause 1 of this Article (by 20 and 12 accordingly).

3. Failure to meet the eligibility requirements for calculating the length of service under privileged terms as envisaged in Para Clause 1, sub-clauses 4 and 5 of this Article will result in calculating one year service as a one-year length of service.

4. The periods of work as a member of air and experimental air crews shall be included in the length of service in the capacity of an air command, air control and flight crew member.

The length of air traffic control service shall also include the periods of service in the capacity of an air command, air control and flight crew member.

The period of work as a member of engineering-technical staff shall also include the periods of service in the capacity of an air command, air control and flight and air traffic crew member, as prescribed in this Article.

5. When granting pensions under privileged conditions based on List 2, the period of employment defined by List 1 under particularly harmful /heavy conditions shall also be

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included in the period of employment under privileged conditions if performed under harmful /heavy conditions.

6. The periods of earning income from the delivery of works or services under civil-legal agreements, as well as working in the capacity of a sole entrepreneur or a notary shall be included in the length of service starting from January 1, 2013 if payments have been made at the amount of the minimum income tax payable under the legislation of the Republic of Armenia by hired workers earning a minimal monthly salary. Where the income tax paid during the concerned year is less than the set minimum tax amount, the length of service shall be reduced on a pro rata basis.

Article 31. Time Periods Included in the Length of Military Service and Specifics of Their Calculation

1. The below listed calendar periods shall be calculated in the military service necessary for granting long service military pensions:
 - 1) Military service performed as part of the command and non-command (commissioned or non-commissioned officers and common servants) staff of the systems of the respective bodies, the penitentiary and court act enforcement services, as well as time periods of studying at education institutions within such systems, irrespective of having any military or special ranks;
 - 2) Military service in the USSR armed forces, the systems of the USSR State Security Committee and the USSR Interior Ministry, as well as time periods of studying at education institutions within such systems, irrespective of having any military or special ranks;
 - 3) periods of arrest, imprisonment and banishment of military servants who have been subjected to repression, prosecution and later duly acquitted as a result of proving the absence of the criminal case, predicate of crime or the defendant's non-involvement in the crime.
2. Where the individual has earned the necessary length of military service which entitles him or her to a long service military pension, the below listed periods shall be included in his or her length of military service:
 - 1) At a tripled duration:
 - a) Periods of participation in military operations as a member of the armed forces;
 - b) Time period of participation in military operations during the defense of the Republic of Armenia or military service outside the territory of the Republic of Armenia in case of performing special military tasks;
 - c) Period of participation of military servants in efforts towards elimination of consequences of the Chernobyl nuclear power plant disaster during the period from April 1986 through December 31, 1987;
 - d) The period specified in Clause 1, sub-clause 3 of this Article;
 - e) Period of uninterrupted treatment of military servants who have suffered from an injury, contusion, disability or sickness during military operations or when performing special tasks;
 - f) Military service in the territory of other countries where the military operations took place (except for the military servants who have been released from military service or recalled due to their misconduct), as well as the period of uninterrupted treatment in health care institutions of

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- such military servants from injuries, contusion, disability or sickness obtained in these countries;
- g) Other time periods as envisaged in the legislation of the Republic of Armenia.
- 2) At a doubled duration:
- a) Service of pilots of armed air forces, in case of performing annual flight norms;
 - b) Period of being in hostage, provided the military servant has not voluntarily surrendered as a hostage nor has he/she committed a crime against the Republic of Armenia during the period of hostage;
 - c) From January 1, 1961 through December 31, 1982, period of deployment of military specialists (except for pilots) to such countries, whose armies were engaged in military operations or provided military assistance to other countries (irrespective of the participation of the mentioned military servants in these military operations);
 - d) From January 1, 1976, military service in highly mountainous areas at an altitude of 2500 m and higher and from August 11, 1997, military service in highly mountainous areas at an altitude of 2000 meters and higher;
 - e) Other time periods as envisaged in the legislation of the Republic of Armenia.
- 3) At durations multiplied by 1,5 :
- a) Service of parachutists if the annual flight plan set by the respective bodies is completed, and service of miners;
 - b) Service of females in special military units as per the list of positions identified by the respective bodies;
 - c) Military service in territories where emergency situations are announced;
 - d) Military service in the Armed Forces of the Republic of Armenia from the period of February 1, 1992 through May 1, 1994;
 - e) From April 1, 1973, military service in highly mountainous areas at an altitude of 1500 m and higher and from November 30, 1998, military service in highly mountainous areas at an altitude of 1700-2000 meters;
 - f) Period of participation of military servants in efforts towards elimination of consequences of the Chernobyl nuclear power plant disaster during the period from January 1, 1988 through December 1, 1990;
 - g) Military service in Unit "A" of the state authorized body of the national security system;
 - h) Other time periods as envisaged in the legislation of the Republic of Armenia.
- 4) One-month period of other types of activity shall be treated as one-month period of military service for:
- a) The length of service as part of air and technical crews of the DOSAAF (Voluntary Sport Union of Support to Army and Navy) and civil aviation systems of the Soviet Union before joining the military service;
 - b) The period of studying in masters and post-graduate courses at tertiary educational institutions of the Republic of Armenia as commissioned by the Ministry of Defense of the Republic of Armenia of individuals who have been drafted to the Armenian Armed Forces or granted an officer's rank and served as an officer for at least five years;

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- 5) One-year period of other types of activity shall be treated as a six-month period of military service for:
 - a) No more than 5 years of full-time study at higher educational institutions of retired commissioned officers before they joined the military service;
 - b) The period of studying at tertiary educational institutions of the Republic of Armenia as commissioned by the Ministry of Defense of the Republic of Armenia of individuals who have been drafted to the Armenian Armed Forces, granted an officer's rank and served as an officer for at least five years.
3. Persons who have participated in defense operations of the Republic of Armenia shall be awarded with a status of a participant in military operations in the manner established by the Government of the Republic of Armenia.
4. The rules for calculation of the military length of service shall be defined by the Government of the Republic of Armenia.

Article 32. Documents Certifying Length of Service and Manner of Recording Length of Service

1. For the period preceding January 1, 2013, the service record book or any other document identified by the Government of the Republic of Armenia shall serve as the main document certifying the length of service shall be, and from January, 1992 through January 1, 2013, the document certifying actual payment of social contributions or receipt of salaries shall also be treated as a record of the length of service..

The requirements (requisites) for the records certifying to payment of social contributions and receipt of salaries shall be set out by the Government of the Republic of Armenia.

2. For the period following January 1, 2010 the length of service shall be validated based on the data included in the database as specified in this Law.

3. In the absence of the service record book or the respective records therein or other documents identified by the Government of the Republic of Armenia, an archive proof shall serve as a basis for validating the length of service. In the absence of such a proof, the length of service shall be determined by the court.

4. For each calendar year the length of service may not be treated as more than a one-year service, other than the cases identified by this Law.

5. Where the documents proving the length of service are inaccessible due to wars, military operations, natural and man-made disasters, calamities and other emergency situations, the Government of the Republic of Armenia shall set up committees responsible for validating individuals' length of services which shall comprise authorized representatives of the state executive bodies, employers, trade unions or employees.

6. The rules for calculating the length of service shall be laid down by the Government of the Republic of Armenia.

CHAPTER 6. ASSIGNING AND PAYING OF PENSIONS

Article 33. Assigning of Pensions

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1. A pension shall be assigned based on the written application of the citizen – and for minors under 14 or citizens under custody, the legitimate representative, i.e., parent, adopter or custodian - by the unit granting pensions in accordance with the citizen's place of registration (address) in the Republic of Armenia as of data recorded in the State Population Registry of the Republic of Armenia.

2. The date of submitting the application on receiving a pension to the unit assigning pensions shall be treated as the date of granting the pension. The application shall be submitted along with all legally prescribed documentation required for granting a pension. Where the package of documents attached to the application is incomplete the unit assigning pensions shall accept the application and notify the applicant in writing about the documents which need to be submitted additionally.

If the citizen fails to attach to the application the documents certifying payment of social contributions or receipt of salaries, the statement proving the payment of social contributions shall be obtained by the unit assigning pension in line with the procedures established by the Government of the Republic of Armenia.

3. If the citizen files the necessary documentation within three months after receiving the due notice, the date of accepting the application by the unit assigning pensions shall be treated as the date of applying for a pension.

4. Within ten working days after accepting the application on receiving a pension, or within ten days after filing all necessary documentation, the unit assigning pensions shall review the mentioned documents and take a decision on granting a pension or rejecting assigning of the pension.

Where the unit assigning pensions decides on assigning a pension, it shall prepare an electronic pension file in the manner established by the Government of the Republic of Armenia.

In the event of taking a decision on rejecting assignment of the pension, the unit assigning pensions shall send a written notice to the applicant within five working days along with indicating the reason for rejection and the procedure for appealing the decision.

5. A decision on refusing to grant a pension shall be taken if:

- 1) The individual is not entitled to the requested pension;
- 2) Based on the State Population Registry, the individual has no permanent place of residence (address) in the Republic of Armenia;
- 3) The individual has failed to submit in a due and timely fashion the documentation necessary for granting a pension.

6. The list of bodies empowered to grant pensions, the list of documents necessary for granting pensions, the procedures for filing applications on granting (recalculating) pensions, changing their types, paying pensions and maintaining pension files (documents) shall be established by the Government of the Republic of Armenia.

Article 34. Timing for Granting of Pension

The pension shall be granted:

- 1) from the date of submitting the application;
- 2) from the date the state authorized body responsible for medical-social expert examinations recognizes the individual as a person with disability, if the application on granting a pension has been filed within three months after such a day;

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3) from the date of death of the breadwinner, if the application on granting a pension has been filed within six months after such a date;

4) from the date of retiring from military service, provided the military servant applies for a pension within six months after his or her due retirement.

Article 35. Payment of Pension

1. The pension shall be payable either in cash or non-cash during the course of the given month, on the basis of application submitted by the pensioner.

2. Pension shall be paid by entities which have entered into an agreement with the authorized body on paying pensions or by other organization designated by the Government of the Republic of Armenia.

The exemplary form of an agreement on providing of services of payment of pension shall be defined by the Government of the Republic of Armenia.

3. Expenses incurred for payment of pensions are made at the expense of funds envisaged in the state budget for the given purposes.

4. Payment of pension in non-cash manner is the transferring of the pension amount to the bank account of the pensioner.

5. Payment of pension in cash entails providing the pension amount to the pensioner in person or to the person entitled by law to receive the pension on behalf of the pensioner.

6. A pensioner in receipt of pension in non-cash manner shall be obligated to submit to the bank at least on annual basis a document on his /her well being verified by the notary, who is conducting activities in the Republic of Armenia or to show up to the bank in person and make a declaration about his /her well being.

The pensioner shall submit the document or the declaration envisaged in paragraph 1 of this Clause during the course of the previous year no later than on the last working day of the twelfth month following the month (of applying for receiving of pension in a non-cash manner) of its submission.

The amount of pension paid during the months following the death of the pensioner shall be subject to return to the state budget of the Republic of Armenia.

7. In the event of changing the disability category, as well as shifting from the "disabled child" status to a disability category, the pension shall be paid at its reassessed amount from the 1st day of the next month after the change takes place.

Where the individual passes the medical re-examination within three months after the expiration of the due date for reassessing his or her disability status and is recognized as a person with disability, the payment of his or her pension shall resume from the date of terminating the payment of the pension. If the individual is recognized as disabled by the medical re-examination, the pension for the above period shall be paid at the amount of the pension assessed for the previous category of disability.

8. The survivor's pension shall be paid to the capable adult family member who has applied for the pension.

A single survivor's pension shall be payable to all eligible family members. At the request of a family member, his or her pension shall be separated and paid separately from the 1st day of the next month after submitting an application on separating his or her pension from that of the family members.

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Where the number of family members receiving a survivor's pension changes, the size of the pension shall be adjusted accordingly.

9. The pension may be paid when submitting the power of attorney verified by a notary conducting activities in the Republic of Armenia to the unit assigning pensions. The pension of the pensioner serving in a penitentiary institution or a psychiatric hospital shall be paid also on the basis of the power of attorney verified by the head of the given institution.
In case of forwarding the pension file of the pensioner leaving (left) for a permanent residence to a country with which the Republic of Armenia has concluded an intergovernmental agreement in the pension security sector, the overdue pension of the given pensioner shall be paid also on the basis of the power of attorney verified by the notary conducting activities in the given country.

The pension may be paid under a single power of attorney for no more than twelve months starting from the first month when the beneficiary ceases to receive his or her pension in person, however no longer than term of validity of the power of attorney.

After twelve months following the month of issuing the power of attorney, the pension shall not be paid by the given power of attorney.

The payment of suspended pensions shall not resume based on a power of attorney, save for the cases of paying the pension of imprisoned convicts serving in a penitentiary institution or patients undergoing treatment in psychiatric hospitals, as well as sending the pension file of persons who are moving (have moved) to states which have signed inter-state agreements with the Republic of Armenia in the area of pension security when the outstanding amount is paid to the pensioner in the manner envisaged by Article 36 of this Law.

Article 36. Payment of Outstanding Pension Amounts

1. The outstanding pension amounts shall be paid covering the period of three years preceding the month of applying for a pension during the period of which the individual was eligible for a pension.
2. Amounts of pension not provided by the fault of the unit assigning pensions shall be reimbursed for the entire past period when the person was entitled to a pension.
3. Pension amounts not received due to the death of the pensioner shall be payable to his or her spouse or the minor child having attained the age of 14, irrespective of the fact of cohabitation thereof in the same place (address) with the pensioner as of the date of his /her death and to another family member, provided he /she was cohabitating in the same place

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(address) with the pensioner based on the data available with the State Register of Population of the Republic of Armenia. The amount shall be paid upon submitting the application and necessary supporting documentation to the unit granting pensions within six months after the death of the pensioner. Where the application is not filed within the set timeframe, the pension amount shall be subject to inheriting.

4. The outstanding pension amount shall be paid as a lump-sum payment.
5. The list of documents to be submitted for receiving of the overdue pension shall be established by the Government of the Republic of Armenia.

Article 37. Changing the Type of the Pension

1. The unit granting pensions shall change the type of pension at the beneficiary's discretion before the time the latter becomes eligible for an old age pension.

2. Upon becoming eligible for an old age pension as stipulated by this Law, regardless of the fact whether the beneficiary has filed an application or not, an old age pension shall be granted instead of a privileged or partial or civil aviation employees' long service pensions, and in the event of receiving or becoming eligible for a disability pension or survivor's pension, the type of pension shall be changed based on the written application of the beneficiary.

3. The type of the pension shall be changed from the 1st day of the month after the origination of circumstances leading to such a change.

4. When changing the type of the pension as envisaged in this Article the length of service duly calculated in the manner established by the legislation before the effectiveness of this Law based on the documents contained in the pension file shall be subjected to no changes.

Article 38. Recalculation of the Pension

1. The labor pension benefit shall be recalculated if:
 - 1) The size of the basic pension or the yearly service value have changed;
 - 2) Once in a calendar year the pension beneficiary files a statement certifying that he or she has worked for at least six months after his /her old age pension was granted (recalculated);
 - 3) The pension beneficiary has submitted additional documents concerning the period preceding the date of granting (recalculating) the pension.

The long service pension of members of air command, air control, flight crews, flight operators, stewards, dispatchers of civil aviation shall be recalculated if these individuals submit a proof of their inaptitude to air or flight control work as issued by the air-medical commission in a manner established by the legislation.

2. The social pension shall be recalculated in case the size of the basic pension changes.
3. The military pension shall be recalculated in the following cases:
 - 1) the cash benefit or amount of the basic pension of military servants has changed;
 - 2) entitlement to pension has been recovered in the manner established by Article 41, Clause 3, sub-clause 6 of this Law. In the given case the pension shall be

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recalculated given the length of military service as of the date of retirement from the military service and the monthly monetary benefit and the food allowance.

4. The pension shall be recalculated from the 1st day of the next month after the occurrence of events leading to a need for recalculation, whereas in cases specified in Clause 1, sub-clause 1 and Clause 1 of this Article from the 1st day of the given month.

Article 39. Assigning and Payment of Pension Benefits to Pensioners Residing in State Social Protection Institutions

1. After placing an individual at a state social protection institution, the head of the institution shall accordingly notify in writing the unit granting pensions of the respective administrative area along with indicating the first and last names and patronymic and residence address of the individual. If the individual is entitled to pension but has not been granted a pension, then the head of the institution shall prepare the documents prescribed by the legislation and submit them to the respective unit assigning a pension:
2. A child residing in a state social protection institution (orphanage) shall be paid 50% of a survivor's pension.

Before reaching the age of 18 or duly leaving the state institution, these amounts shall accrue on a special account opened in the name of the child and shall be paid to the child as a lump-sum amount within a month after the child reaches 18 or duly leaves the state institution.

3. Pensioners residing at state social protection institutions (homes for the elderly) shall be paid the labor portion of their granted pensions and the beneficiaries of military pensions residing in these institutions shall be paid 50% of their pension.

4. Pensions shall be assigned and paid to pension beneficiaries residing at state social protection institutions in the manner established by the Government of the Republic of Armenia.

Article 40. Assigning and Payment of Pensions to Persons Serving in a Penitentiary Institution

1. A person serving in a penitentiary institution shall apply in writing to the head of the penitentiary institution for granting and paying a pension or undergoing a medical-social expert examination.

Based on the written application of the convict, the head of the penitentiary institution shall, within 10 business days, prepare the legally prescribed documents required for granting and paying a pension to the convict or organizing a social-medical expert examination of the mentioned individual to the medical expertise authority or the state authorized entity.

2. The procedures for granting and paying pensions to convicts and arranging social-medical expert examination of the latter shall be established by the Government of the Republic of Armenia.

Article 41. Termination and Resumption of the Right to Pension, Termination and Resumption of Pension Payments

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1. The right to a pension shall cease if:

- 1) The pension beneficiary dies or is recognized as deceased or missing;
- 2) The disability period is over;
- 3) The term of the survivor's pension expires or the beneficiary is no longer eligible for such a pension;
- 4) The beneficiary is employed after assigning a pension in the manner prescribed by Article 9, Clause 3; Article 13, Clause 1, points (3), (4), (5), (6), of this Law;
- 5) After assigning a military pension under this Law the beneficiary is recruited to a military service, the penitentiary institution, service of enforcement of judicial acts, prosecutor's office or is appointed as a judge;
- 6) The right of a foreign citizen or stateless person to reside in the Republic of Armenia expires;
- 7) The pension beneficiary's citizenship of the Republic of Armenia ceases;
- 8) An Armenian citizen with dual citizenship permanently or predominantly resides in a foreign state (registering in the state register of population of the Republic of Armenia as of the place of his/ her residence of a foreign state);
- 9) A foreign citizen or an Armenian citizen with dual citizenship is granted a pension by another state;

10) The beneficiary is no longer eligible for the pension or false (inaccurate) documents are identified in his or her pension file;

11) In case of sending the pension file to the countries, with which the Republic of Armenia has concluded an intergovernmental agreement in the social security system, where the person leaves (has left) for permanent residence.

In the cases prescribed in this Clause, entitlement to pension shall be terminated starting from the first day of month following occurrence of the circumstance.

Entitlement to survivor's pension of a person studying on a full-time basis in an educational institution shall be terminated on July 1 of the given year.

2. Payment of pensions shall be terminated in the following cases:

- 1) The beneficiary is no longer eligible for the pension;
- 2) The beneficiary (or the person entitled by law to receive pension) has not received his or her pension in person for twelve successive months;
- 3) Failure to submit documents or make a declaration in the manner prescribed by Article 35, Clause 6 of this Law

The payment of pensions shall be terminated starting from the day of termination of entitlement of receipt of pension and in cases prescribed in sub-clauses 2 and 3 of this Clause from the 1st day of the next month after origination of the circumstances leading to termination of pension payments.

3. The right to pension shall be restored in the following cases:

1) From the day of terminating the right to pension, once a court order is passed on revoking the decision on recognizing the pension beneficiary as deceased or missing;

2) From the day of terminating the payment of the survivor's pension to the beneficiary who has reached the age of 18, if within six months after the day of termination the individual files a certificate proving his or her study at an educational institution, and where the individual submits such a certificate after the above time-period, the terminated payment of the pension shall be resumed from the 1st day of the next month after the submission of the individual's written application.

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3) In case the pension, which was assigned in the manner prescribed by Article 9, Clause 3 of this Law, has been terminated on grounds specified in Clause 1, sub-clause 4 of this Article:

a) starting from the first day of the month following the month of entitlement to an old age pension;

b) in case of retirement, starting from the 1st day of the month upon applying in writing and submitting the required documents.

4) From the day of termination of pension, if within three months after the completion of the disability term the person is recognized as disabled again, and where the person is recognized as disabled within twelve months after the completion of his or her disability term, from the date of his or her official recognition as disabled based on the proof of his or her disability issued by the competent the state authorized body responsible for medical-social expert examinations;

5) In cases when the right of a foreign citizen or stateless person to reside in the Republic of Armenia expires, from the date of ceasing the right to a pension, upon submission of the document certifying his or her reinstated right to residence within one month after the expiry of the above right, and where the document certifying the right to residence is submitted after the mentioned timeframe, from the 1st day of the next month after filing the application in writing;

6) On grounds specified in Clause 1, sub-clause 5 of this Article, in cases when the person eligible for a military pension who has served as a military in the respective bodies or penitentiary, service of enforcement of judicial acts, the prosecutor's office or has been appointed as a judge, from the date of terminating his or her service (powers of a judge) upon submitting the application within one month after the date of terminating his or her service (powers of a judge), and where the application is filed after the mentioned timeframe, from the 1st day of the next month after filing the application in writing;

7) Where the individual is recognized as disabled within twelve months after the completion of his or her disability term, starting from the date of being recognized as disabled; whereas if the application has been submitted within 3 months after being recognized as disabled, starting from the date of applying. In the event of reinstating the right to a pension, such a right shall not be subject to revising. In this case the pension amount shall be calculated taking into account the size of the official basic pension, the annual service value and the personal coefficient of the pension beneficiary, and for military pensions, account shall be taken of the size of the cash benefit or the basic pension amount.

4. Paying of the pension shall be resumed:

1) in case of restoring the entitlement to pension on the basis of Clause 3, sub-clauses 1; 2 and sub-clause 3, point "b" of this Article, sub-clauses 5; 6 and 7 or in case payment of pension has been terminated on the basis of Clause 2, sub-clause 2 of this Article, starting from the 1st day of the month following filing of the application, and in case the pension beneficiary is a minor who has not reached 14 or is under the custody of another individual, his or her legitimate representative (parent, adopter, custodian) – files the written application and files the required documentation in person.

2) in case of restoring the entitlement to pension on the basis of Clause 3, 3, point "a" of this Article starting from the 1st day of month following the person's entitlement to an old age pension; whereas in case of restoring the right to pension on the basis of Clause 3, sub-clause 4 of this Article, starting from the 1st day of the month after receiving the statement on confirming the disability of the person by the state authorized body responsible for medical-social expert examinations;

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3) in case termination of payment of pension on the basis of Clause 2, sub-clause 3 of this Article, starting from the 1st day of the month following receipt of the document specified in Article 35, Clause 6 of this Law or the respective information from the bank, provided the information has been received within 12 months following the month of termination of the pension.

In the case specified in this Clause payment of the pension shall be done in the manner specified in Article 36 of this Law.

Article 42. Payment of Pension in Case of Changing the Place of Residence

1. Where the pension beneficiary changes his or her place of residence, the unit granting pensions in the new place of residence shall pay the beneficiary's pension after receiving his or her pension file from the unit serving his former place of residence. The payment of the beneficiary's pension shall be resumed from the day its payment is terminated in the former place of his /her residence.

2. The pension file shall be transferred to the unit granting pensions in the beneficiary's new place of residence within 10 (ten) days after receiving the application of the pensioner.

3. The unit granting pensions, which transfers the pension file shall also send a proof on the most recent payment of pension, which was duly paid to the beneficiary.

Article 43. Making Withholdings from the Pension

1. Amounts may be withheld from the pension based on:

1) Valid court orders and verdicts;

2) The decision of the unit granting pensions for the place of factual residence of pension beneficiaries on withholding any excess amounts paid out to beneficiaries as a result of submitting documents with inaccurate information, or failure to submit information about changes in the number of their family members, as well as the failure of the pension beneficiary to perform the obligations laid down in Article 50 of this Law, but the withheld amount may not exceed 15 percent of the assigned pension.

2. Withholdings from pensions shall be calculated based on the monthly amount payable to the beneficiary.

3. The total amount of withholdings from the pension benefit may not exceed 30 percent of the pension benefit.

Article 44. Payment of Funeral Benefit in Case of Death of the Pension Beneficiary

1. In the event of the death of a pension beneficiary, as well as the death of an individual who has failed to undergo a disability re-examination within three months after the completion of his or her the disability term, the person who has arranged his or her funeral shall be paid a funeral benefit.

2. In the event of the death of an individual who, before his or her death, has been recognized as disabled by the competent state body responsible for conducting social-medical examinations but has failed to apply for a pension, a funeral benefit shall be paid to

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the person arranging the individual's funeral, provided the individual dies within 3 months after he or she is officially recognized as disabled.

3. A funeral benefit shall be paid to the person arranging the funeral of duly retired former military servants, as well as those former military servants who have been recognized as disabled by the competent state body responsible for conducting social-medical examinations and have become entitled to but failed to apply for a pension and died within a period of six months after their due retirement or validation of their disability.

4. In the event of death of a pensioner residing in the social protection organization of population no funeral benefit shall be paid, provided the funeral has been conducted by the given organization.

5. The funeral benefit shall be paid within six months after the death of the individual based on the written application submitted to the unit granting pensions together with other necessary documentation. The amount shall be paid within one month upon submission of the application.

6. The list of required documentation for paying a funeral benefit and the size of the funeral benefit shall be established by the Government of the Republic of Armenia.

7. The size of the funeral benefit may not be less than its previously applicable size.

CHAPTER 7 DATABASE IN THE STATE PENSION SECURITY SYSTEM

Article 45. Purpose of Creating the Database in the State Pension Security System

The purpose of creating the database of the state pension security system (hereinafter referred to as the database) shall be to ensure the implementation of the individual's right to pension security.

Article 46. Data Incorporated in the Database

1. The database shall incorporate:

1) the below data about the natural persons, as well as pensioners:

a) name, surname, patronymic, day, month and year of birth, day, month and year of death if the individual is deceased;

b) serial and successive passport number of the citizen of the Republic of Armenia (if the person is under 16 – the birth certificate data), serial and successive number of the document certifying the right of the foreign citizen and stateless person to reside in the Republic of Armenia, serial and successive number of the convention traveler's document of the person with a refugee status;

c) number of the social security card or the proof certifying its absence, taxpayer's identification number (if available);

d) sex;

e) address of registration and (or) actual residence;

f) address of the place of residence;

g) citizenship;

h) information about the periods of other legally prescribed activities included in the length of service;

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i) amounts of paid off temporary incapacity benefit, funeral benefit, day, month and year of their payment.

2) For hired workers, also:

a) the day, month and year of recruitment and dismissal;

b) data on documents supporting the employment arrangements (employment agreement, order, etc.), occupation (position), period of employment activity entitling the individual to a privileged pension;

c) the taxpayer identification number of the employer(s), its full name, location and state registration address, day, month, year and number of state registration;

d) size of income subject to taxation by income tax, and amount of assessed and paid-off income tax broken down by employers and months;

3) In respect of a sole entrepreneur, also:

a) the day, month and year and number of state registration, day, month and year of terminating the business activities;

b) the day, month and year of suspending the business activity (temporarily handing over the state registration certificate to the tax body) and re-launching the business activity (receiving back the state registration certificate from the tax body);

c) the size of income subject to taxation by income tax, the amount of assessed and paid-off income tax, day, month and year of paying the tax;

4) In respect of a notary, also:

a) the day, month and year of appointment in the position and dismissal,

b) the size of income subject to taxation by income tax, the amount of assessed and paid-off income tax; day, month and year of paying the tax;

5) For individuals generating income from the delivery of works or services under civil-legal agreements, also the time period of earning the income, the size of income subject to taxation by income tax, the amount of assessed and paid-off income tax; day, month and year of paying the tax;

6) For payers of license fees, also the day, month and year of registration with the tax authority, the time period of paying the license fees.

2. The database shall also include information about the day, month, year of granting pensions, size of pensions, as well as data on pensioners as specified by the Government of the Republic of Armenia.

Article 47. Creating and Maintaining the Database

1. The database shall be created on the basis of the data received from the tax body, as well as the data provided by citizens to the unit granting pensions for the purposes of assigning pensions.

2. The database shall be operated by the authorized body.

3. The procedures for creating and maintaining the database, as well as receiving from the tax body the data as identified in Article 46, Clause 1 of this Law, as well as from other state administration bodies shall be established by the Government of the Republic of Armenia.

4. The data contained in the database shall be protected as prescribed by law.

CHAPTER 8.

POWERS OF THE AUTHORIZED BODY, RIGHTS AND RESPONSIBILITIES OF ORGANIZATIONS AND CITIZENS; PROCEDURES FOR SETTLING PENSION-RELATED DISPUTES

Article 48. Powers of the Authorized Body

The authorized body shall:

- 1) develop and implement the unified policy for the state pension security;
- 2) oversee the implementation of the legislation on the state pension security in the lawfully prescribed manner;
- 3) carry out the methodological guidance of granting (recalculating) and paying pension benefits;
- 4) prepare the respective government programs for the development of the system and ensure their enforcement;
- 5) request documents from employers, other government agencies and organizations, and individuals necessary for granting and paying pensions, and in the cases identified by the Government of the Republic of Armenia, the authorized body shall verify their authenticity;
- 6) in the cases and manner identified by the Government of the Republic of Armenia, receive data from the tax body necessary for developing the database and verify their accuracy in the cases and in the manner established by the Government of the Republic of Armenia;
- 7) set forth proposals to the tax body with a view to verifying accuracy of the data incorporated in the database and make changes thereto;
- 8) within its powers discuss cases of infringing the pension legislation;
- 9) in the legally prescribed manner grant and recalculate pensions, secure the payment of pensions or reject applications on granting or recalculating pensions;
- 10) administer the database; provide data from the database to employers, individuals, government agencies and organizations;
- 11) in the manner prescribed by law, review the applications on granting, and recalculating and paying pensions;
- 12) within 10 days after taking a decision on granting a pension, issue a free pension certificate to the beneficiary, the format of which is approved by the Government of the Republic of Armenia;
- 13) provide counseling to citizens who apply to the authorized body on pension-related matters and, as necessary, assist them in obtaining the required documents;
- 14) cooperate with the appropriate non-governmental and international organizations and natural persons;
- 15) administer the pension security web site;
- 16) perform other functions as established by the provisions of this Law and other legal acts.

2. The procedures for operating the database, providing information from the database to employers, individuals and government agencies and organizations, setting forth proposals on changing the data incorporated in the database, verifying the accuracy of documents necessary for granting and paying pensions, as well as data necessary for creating the database shall be established by the Government of the Republic of Armenia.

Article 49. Rights and Responsibilities of Individuals, Legal Entities and Organizations

1. The individuals, legal entities and organizations shall be entitled to:
 - 1) receive advice and methodological clarifications from the authorized body about the operation of the pension system, file applications to the authorized body on issues related to pension security;
 - 2) in the manner established by the Government of the Republic of Armenia, receive from the authorized body data concerning themselves contained in the database and submit recommendations to the authorized body on making changes to such data;
 - 3) apply to the authorized body for the purposes of granting a pension, recalculating the pension, changing the type of the pension, resuming the entitlement to receiving of pension (resuming payment of the pension).
2. When applying for granting a pension, recalculating the granted pension, changing the type of the pension, resuming the payment of the pension, individuals, legal entities and organizations shall submit accurate data and the required documents.
3. The documents required for assigning of the pension issued by the authorized bodies of foreign governments shall be considered valid in the Republic of Armenia in the event of availability of a valid consulate, unless otherwise stipulated by the international treaties of the Republic of Armenia.

Article 50. Obligations of a Pensioner

1. A pensioner shall be obligated to:
 - 1) submit to the authorized body accurate data about himself or herself;
 - 2) notify the unit granting pensions about any circumstances which may lead to a change in the size of his or her pension or termination of its payment.
2. Excess amounts paid to the pension beneficiary as a result of his or her failure to perform the obligations specified in this Clause shall be withheld as prescribed in Article 43 of this Law or based on a court decision if the individual is no longer eligible for a pension.

Article 51. Challenging the Decisions on Pension-Related Matters

The decisions taken by the unit granting pensions may be challenged in the order of hierarchy or to the court.

Article 52. Responsibility for Infringing the Pension Security Legislation

The responsibility for infringing the pension security legislation shall be laid down by law.

Article 53. Agency Normative Acts Relating to Application of the Law

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Agency normative acts relating to application of the Law shall be promulgated by the state authorized pension authority within the scope of its powers.

CHAPTER 9. CLOSING PART AND TRANSITIONAL PROVISIONS

Article 54. Closing Part

1. This Law shall become effective from January 1, 2011.

Article 30, Clause 6; Chapter 7; Article 48, sub-clause 6; Article 49, Clause 1, sub-clause 2 of this Law shall enter into force on January 1, 2013.

2. The Law of the Republic of Armenia on State Pensions (HO-519) of November 19, 2002, other than its Chapter 9, shall be revoked starting from the moment this Law becomes effective, except for Chapter 9, which shall be revoked on January 1, 2013.

Article 55. Transitional Provisions

1. In the event of submitting additional documents for re-calculation of the pension granted in accordance with the Law of the Republic of Armenia on State Pensions (HO-519) of November 19, 2002), such a pension shall be re-calculated in line with the procedures laid down in this Law. In such a case the periods of employment under particularly heavy, particularly harmful conditions, periods reflected in hours of flight of civil aviation employees, periods validated by testimony, periods of child care, full-time study at educational institutions as duly incorporated in the length of service reflected in the pension case shall be subjected to no changes.

Before enactment of this Law pensions assigned according to the Law of the Republic of Armenia “On Social Security of Military Servants and the Family Members Thereof” (HO – 258, of October 27, 1998) shall be recalculated in the manner specified in this Law. In the event the amount of the recalculated pension is lower than the amount of pension assigned before enactment of this Law (without supplements), the pension shall be paid in the previously defined amount.

Before enactment of this Law the right of persons of receiving pension simultaneously in accordance with the Law of the Republic of Armenia on State Pensions (HO-519) of November 19, 2002) and the Law of the Republic of Armenia “On Social Security of Military Servants and the Family Members Thereof” (HO – 258, of October 27, 1998) shall be maintained until the time of receiving monetary assistance in line with Article 34.1 of Law of the Republic of Armenia “On Social Security of Military Servants and the Family Members Thereof”.

2. The data of the database of the personified (individual) record keeping system created under the Law of the Republic of Armenia on State Pensions (November 19, 2002, HO-519) before the effectiveness of this Law shall be aggregated (in addition, the data for 2012 shall be submitted to the authorized body), as well as the data contained in the pension database shall be included in the database of the state pension security system in conformity with the procedures established by the Government of the Republic of Armenia.

3. The funeral benefit of a deceased military before November 1, 2010 shall be paid to the person who has organized the funeral of the deceased military pension beneficiary

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and deceased former military servant in the amount of fifteen fold of the amount of pension of the deceased person (including the supplements to the pension) and in case of death of persons specified in Article 44, Clauses 2 and 3 of this Law, in the amount of AMD four hundred and thirty-five thousand.