

Approved by  
Resolution N237/04-13.12.19  
The Executive Board of ARMECONOMBANK  
Dated 13 December 2019  
Chairman of the Executive Board  
----- A. Khachatryan

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Terms and conditions included in Bulletin may have changed.  
Tel: (37410)8686, (37410)51-09-10 (9104) – Call center*

## **INFORMATION BULLETIN OF “ACCUMULATION OF INCOME TAX” TERM DEPOSIT**

**YEREVAN 2019**

# 1.

Name: ARMENIAN ECONOMY DEVELOPMENT BANK OPEN JOINT STOCK COMPANY  
Address: 23/1 Amiryan Str., Yerevan 0002, Republic of Armenia  
Electronic address: bank@aeb.am  
Website: [www.aeb.am](http://www.aeb.am)  
TEL: (37410) 8686, (37410) 510-910 (9104)  
Fax: (37410) 53-89-04

	Payment of interest amounts at the end of tenor
Currency	AMD
Term	455 days
Nominal interest rate	8.25%
Annual percentage yield *	8.17%

- A year is 365 days, 366-day year basis for leap year
- **THE MINIMUM INITIAL AMOUNT OF THE DEPOSIT** - AMD 60,000
- **THE MAXIMUM INITIAL AMOUNT OF THE DEPOSIT** - AMD 1,000,000

**POSSIBILITY TO ADD AMOUNTS** - it is permitted to add amounts once within a quarter with the amounts no more than the triple of the amount initially placed.

\* The annual percentage yield of AMD deposits (interest paid upon the end of the tenor ) is calculated with the following formula:

$$A = \sum_{n=1}^N \frac{K_n}{(1+APY)^{\frac{Dn}{365}}}$$

where

- 1) A - initial amount of deposit
- 2) n - current number of deposit cash flow
- 3) N - last number of deposit cash flow (including the cash flow on the deposit placement day), which denotes the expiry of term
- 4) Kn - flow of mandatory payments at the moment of deposit placement, during the process of investment or in case of capitalized interest amount
- 5) Dn – number of days passed since the deposit placement, including the regular "n" deposit cash flow. If cash flow is invested at the moment of placing deposit, D1=0
- 6) Maximum value of each range is taken into consideration for the term of deposit

**NOTE: INTERESTS ON YOUR DEPOSIT ARE CALCULATED BASED ON THE NOMINAL INTEREST RATE AND THE ANNUAL PERCENTAGE YIELD SHOWS THE INCOME YOU WOULD REALIZE, IF YOU WOULD HAVE ADDED THE RECEIVED DEPOSIT INTERESTS TO THE DEPOSIT. YOU WILL FIND THE ORDER OF CALCULATING THE ANNUAL PERCENTAGE YIELD ON [www.aeb.am](http://www.aeb.am) .**

1. Accrued interests aren't capitalized and are paid to the depositor at the end of the term of the deposit agreement.
2. Interests are calculated based on the balance of placed deposit amount.
3. Should the depositor demand the deposit or any part thereof prior to the term of the Agreement, the calculation of the interest of deposit or any part thereof shall be carried out as per the rates for demand deposits existing in the Bank. As for the interest calculated and paid prior to the termination shall be deducted from the deposit to be paid back and the interest shall be calculated on the remaining part of the deposit unless otherwise provided in Deposit Agreement.
4. The Depositor may supplement the deposit once a quarter with the amounts no more than the triple of the initially invested amount. Should the Depositor request repayment of a part of the Deposit after adding amounts to the Deposit, then shall be primarily repaid amounts added to the Deposit in reverse timing order, and the demand interests set by the Agreement shall accrue from the day following the date of adding them to the Deposit to the day preceding the date of its repayment to the Depositor.
5. The Bank has the right to unilateral modify the volume of interest paid against demand deposits.
6. With a periodicity of at least 30 days, the bank shall provide the depositor with a statement on his/her deposit account in an order set by the Deposit Agreement with exception of cases when over the accounting period the account has not been debited or credited, moreover, to provide a statement on the account within 5 days after such request by the depositor at the tariffs set by the bank.

Initially placed amount – AMD 500,000 Term -455 days Interest rate - 8.25 Frequency of supplement- quarterly					
Replenishment in the size of initial amount		Replenishment in twice of the amount initially placed		Replenishment in the triple of initially placed amount	
Total placed deposit	Accrued interest	Total placed deposit	Accrued interest	Total placed deposit	Accrued interest
3,000,000	168,944	5,500,000	291,711	8,000,000	414,478

- In the calculations the year is 365 days and interests are calculated taking into account the tax on income.

7. The authorities of other persons to use and manage the deposit shall be approved should such authorities be issued by a notarized power of attorney or by a written power of attorney made and signed by the depositor in the presence of the Bank's officer.
8. In case of contract disputes the depositor shall apply to the Bank in written form and will receive the reply to such request within 10 Business days. In case of disagreement with reply, the depositor has the right to apply to the court or to the Financial System Mediator.
9. The minimum initial volume of the deposit is AMD 60,000, and the maximum- AMD 1,000,000. The interests payable are subject to tax in the amount set by RA Law "On tax on income".
10. The deposit is placed with the tenor of 455 days.
11. The deposits are guaranteed according to RA Law "Guaranteeing the Recovery of Deposits of Individuals"
  - In case of deposits in Armenian drams, the deposit is guaranteed for AMD 10 mln.
  - In case of deposits in foreign currency, the deposit is guaranteed for AMD 5.0 mln.

- In case of deposits both in Armenian drams and in foreign currency: if AMD deposit exceeds AMD 5.0 mln, only the AMD deposit is guaranteed up to AMD 10 mln.
- In case of deposits both in Armenian drams and in foreign currency: if AMD deposit is smaller than AMD 5.0 mln, the AMD deposit is guaranteed in full and the foreign currency is guaranteed for the balance of AMD 5.0 mln and recovered AMD deposit.