

Approved by
Resolution N 194/03-13.10.21 of
The Executive Board of ARMECONOMBANK OJSC
Dated 13 October 2021

Shall come into force on 18.10.2021
Publication date: 14 October 2021
Terms and conditions included in Bulletin may have changed,
For more information call:
Tel: (37410)8686, (37410)51-09-10 (9104) - Call center



INFORMATION BULLETIN OF CHILD DEPOSIT

YEREVAN 2021

1. Name: ARMENIAN ECONOMY DEVELOPMENT BANK OPEN JOINT STOCK COMPANY
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2. The deposit is placed to the benefit of a child (up to 18 years), but the deposit agreement is concluded with the investor.
3. The end of the term of the deposit is considered the day following the 18th anniversary of the child.
4. Before the expiry of the term of the deposit, only the investor can manage the money and after the expiry of the term- the child who has become an adult.
5. Child deposit is attracted under the following conditions:

Currency	Maximum amount	Nominal interest rate	Annual percentage yield
AMD	-	7%	7.12%
USD	50,000	3.75%	3.79%

The acceptance of deposit in the amount of USD 50,000 and more is contractual.
 A year is 365 days, 366-day year basis for leap year.

6. **Attention!** “Rossia” and “Araratyan” branches do not provide deposit attraction service.

* The annual percentage yield on the deposit is calculated based on the procedure stated by the Central Bank of RA with the following formula:

$$APY = (1 + r / n)^n - 1$$

Where:

- 1) APY – annual percentage yield
- 2) r –annual rate of simple interest
- 3) n – periodicity of interest capitalization in a year

NOTE: INTERESTS ON YOUR CHILD 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.

7. Based on the volume of the deposit, depositors of ARMECONOMBANK OJSC will be granted free plastic cards
 - a/ in case of any value - ArCa classic
 - b/ Deposits in the amount of AMD 300 000 and equivalent foreign currency - Master Card standard, Master Card Gold, , VISA classic, VISA Gold plastic cards
8. The type of child deposit – term.
9. The interests on the deposit accrue from the moment the deposit is placed with the Bank till the day preceding its recovery to the Depositor.
10. The interest shall be capitalized twice a year (on January 10th and July 10th) and be added to the deposit amount. The interest amount continues to accrue on the added amount from the day of adding amounts.
11. The interests are calculated based on the balance of placed deposit amount also based on added amounts and capitalized interests to deposit balance during agreement term period.
12. The deposit can be replenished at any time and with any amounts up to the 60th day prior to the expiry date of the deposit.
13. In case of requiring the deposit or the part thereof before the term mentioned in the agreement, accrued interests are paid to the customer, except the period between the last accrual date and deposit requirement date, for which interests are calculated and paid at 0%.
14. Should the deposit not be demanded after the expiry of the Deposit term, till the deposit is actually be demanded interest on it shall accrue at the rate set for the monetary funds available on bank accounts.
15. The Bank can't unilaterally decrease the interests specified in 2.1 paragraph of the Agreement provided that the deposit is repaid within the term set forth in 2.1 paragraph of the Agreement.
16. With periodicity specified in the deposit agreement, which shall not exceed a month, the Bank shall provide the depositor with a statement on its deposit account through the method indicated in the Deposit Agreement or in the application submitted by the Depositor, 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 tariffs set by the bank (presented below):

Provision of statements	0
Provision of references	AMD 5,000

17. Your child is 2 years old.
 You place the deposit on 10th of January, and you add a fixed amount to it every month starting from the second month after the deposit placement and up to the 60th day before the expiry of the term of the deposit. In this case the sum accrued on your child's account will form.

AMD

Deposit	Amount	Amount added by the Bank
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amount	added on monthly basis	At the age of 6	At the age of 12	At the age of 18
50,000	5,000	45,815	269,181	758,983
100,000	15,000	123,356	773,646	2,192,668
200,000	25,000	214,988	1,303,367	3,710,634
500,000	50,000	458,158	2,691,807	7,589,832

USD

Deposit amount	added on monthly basis	Amount added by the Bank		
		At the age of 6	At the age of 12	At the age of 18
250	10	69	319	790
500	20	138	639	1,579
750	30	206	958	2,369
1,000	50	308	1,499	3,771

* The calculations are made on 365-day year basis and interests are calculated taking into account the tax on income.

18. Based on long-term cooperation between the Bank and a customer, the volumes of the customer's transactions and other reasonable grounds, the Bank may apply other tariffs and terms which are defined by other documents and (or) additional agreements, contracts.
19. The deposit cannot be replenished by third parties.
 - 19.1 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.
20. In case of contract disputes the depositor applies to the Bank in written form and gets the answer on its application during 10 Business days. In case of disagreement, the depositor has the right to apply to court or to the Financial System Mediator.
21. There is no limit for the placement of minimum initial amount of child deposit and the interests payable are taxable at the extent set by RA Law "On tax on income".
22. The deposits are guaranteed by the Armenian Law on Guaranteeing the Recovery of Deposits of Individuals;
 - in case of AMD deposits, the guaranteed amount of the deposit makes up to AMD 16 mln;
 - in case of foreign currency deposits up to AMD 7.0 mln;
 - in case of AMD and foreign currency deposits, if AMD deposit is more than AMD 7.0 mln then only AMD deposit is guaranteed up to AMD 16 mln;
 - in case of AMD and foreign currency deposits, if AMD deposit is less than AMD 7.0 mln then AMD deposit is guaranteed fully and foreign currency deposit at the extent of AMD 7.0 mln and the difference of remunerated dram deposit.
23. *On the purpose of due diligence of the customer envisaged by RA law on "On combating money laundering and terrorism financing", the financial institution may request additional documents or other information from the consumer based on <<Know your customer>> principle, as well as ask the consumer additional questions during oral communication.*
24. *In compliance with the agreement signed with USA, to find out if you are a US tax payer, financial institutions may collect additional information about the agreements, contracts, cooperation,*

membership signed by financial institutions, which may have a direct impact on the consumers (e.g. Foreign Account Tax Compliance Act (FATCA)).

- 25. YOU HAVE THE RIGHT TO COMMUNICATE WITH THE FINANCIAL INSTITUTION IN THE WAY YOU PREFER, BY MAIL OR ELECTRONICALLY. RECEIVING INFORMATION ELECTRONICALLY IS THE MOST CONVENIENT. IT IS AVAILABLE 24/7, FREE FROM THE RISK OF LOSING PAPER INFORMATION AND ENSURES PRIVACY.*
- 26. "YOUR FINANCIAL INFORMANT" IS AN ELECTRONIC SYSTEM WHICH SEARCHES AND COMPARES THE SERVICES OFFERED TO INDIVIDUALS AND FACILITATES THE SELECTION OF THE MOST EFFECTIVE OPTION FOR YOU- www.fininfo.am*
- 27. To place a deposit the depositor should submit the below mentioned documents:*
 - Identification document,*
 - Document including the public service number (for the RA citizens),*
 - Additional documents and information may be required due to various circumstances.*