

Approved by
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The Executive Board of ARMECONOMBANK
Dated 15 June 2020
Chairman of the Executive Board
----- A. Khachatryan

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INFORMATION BULLETIN OF “BENEFICIAL” TERM DEPOSIT

YEREVAN 2020

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TERM 367 days					
Currency	Minimum amount	Maximum total amount	Interest payment	Nominal interest rate	Annual percentage yield
AMD	100,000	50 mln	monthly	8.3%	8.62%
			quarterly	8.4%	8.67%
			at the end of term	8.5%	8.5%
USD	200	100,000	monthly	3.60%	3.60%
			quarterly	3.65%	3.69%
			at the end of term	3.80%	3.80%
EUR	200	100,000	monthly	1.85%	1.85%
			quarterly	1.90%	1.91%
			at the end of term	2.00%	2.00%

- A year is 365 days, 366-day year basis for leap year

2.1

RECALCULATED INTEREST RATE OF THE DEPOSIT DEMANDED PRIOR TO					
THE TERM					
Currency	Interest payment	Period of the premature withdrawal of the deposit			
		30 - 90 days	91-182 days	183 – 274 days	275 – 366 days
AMD	monthly	4.50%	5.50%	6.25%	7.00%
	quarterly	4.50%	5.60%	6.35%	7.10%
	at the end of term	4.75%	5.75%	6.75%	7.50%
USD	monthly	0.40%	1.40%	2.30%	3.00%
	quarterly	0.40%	1.45%	2.35%	3.05%
	at the end of term	0.50%	1.50%	2.50%	3.20%
EUR	monthly	-	0.2%	0.6%	1.0%
	quarterly	-	0.2%	0.7%	1.1%
	at the end of term	-	0.2%	0.8%	1.3%

* The annual percentage yield on monthly paid deposits denominated in USD, RUR and EUR 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

** The annual percentage yield on deposits in USD, RUR and EUR (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 .

1. Accrued interests aren't capitalized and are paid to the depositor at the end of 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 recalculation of the accrued interest of deposit shall be carried out as per the rates specified in paragraph 2.1 of this Bulletin. If the interest rate specified in paragraph 2 of this Bulletin has already been paid, then the deposit calculated at the amount of interest paid to the depositor in excess of the recalculated interest rate shall be considered refunded.
4. After the termination of the Agreement or in other circumstances arising from the Agreement, should the depositor refuse to demand the deposit, the Agreement shall be deemed prolonged as per the terms available for demand deposits unless otherwise provided by the Agreement.
5. If the deposit or a part of the deposit is required for an extended period, after the extension of the deposit or its part, interest rate is calculated and paid at the moment of extension for the premature withdrawal of the given type of deposit under the conditions in the bank.
6. : The Depositor may increase the additional amount of the Deposit in case of AMD, up to the 91st day before the (extended) deposit repayment period, in case of foreign currency – up to the 181st day at the moment of investment (extension) by not more than the total amount of the deposit, for which interest rate is calculated under the terms of the annual interest rate calculated on the deposit amount and conditions.
7. In case of demand of early repayment of the deposit or part of it after the increase of the deposit amount the priority is to return the invested amount and then the increased amount. The interest rate recalculated on the early or part of the repayable deposit is calculated from the date of investment (increase) of the relevant amount until the day before its early repayment for actual calendar days, and the deposit is considered refunded in the amount of interest paid in

excess of the recalculated interest rate. The Bank has the right to modify the volume of interest paid against demand deposits.

8. With periodicity of at least 30 days, the bank shall provide the depositor with a statement on his/her deposit account in the 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 tariffs set by the bank.

CALCULATION SAMPLE

Interest payment monthly			
Currency	AMD	USD	EUR
Term	367 days		
Interest rate	8.3%	3.60 %	1.85 %
Placed amount	5,000,000	10,000	10,000
Interest amount accrued	375,546	326	167
RECALCULATION OF PREMATURE WITHDRAWAL			
Termination term	185 days		
Interest rate	6.25%	2.3%	0.6%
Recalculated interest amount	142,551	105	27

Interest payment quarterly			
Currency	AMD	USD	EUR
Term	367 days		
Interest rate	8.4%	3.65 %	1.9%
Placed amount	5,000,000	10,000	10,000
Interest amount accrued	380,071	330	172
RECALCULATION OF PREMATURE WITHDRAWAL			
Termination term	185 days		
Interest rate	6.75%	2.5%	0.75%
Recalculated interest amount	144,832	107	32

Interest payment at the end of term			
Currency	AMD	USD	EUR
Term	367 days		
Interest rate	8.5%	3.8 %	2%
Placed amount	5,000,000	10,000	10,000
Interest amount accrued	384,596	344	181
RECALCULATION OF PREMATURE WITHDRAWAL			
Termination term	185 days		
Interest rate	6.75%	2.5%	0.75%
Recalculated interest amount	153,955	114	36

* -At the depositor's request, interest amounts denominated in foreign currency are paid in AMD on the following day of interest payment date, at the average exchange rate fixed in RA currency market.

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

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.
2. 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. There is no limit for the placement of minimum initial amount of deposit and 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 367 days
3. 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.