

Approved by  
Resolution N 224/03 –231120 of  
The Executive Board of ARMECONOMBANK OJSC  
Dated 23 November 2020

*Shall come into force on 01.12.2020*  
*Publication date: 24 November 2020*  
*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 2020

1. Name: ARMENIAN ECONOMY DEVELOPMENT BANK OPEN JOINT STOCK COMPANY  
Address: 23/1 Amiryan str.; 0002 Yerevan, Armenia

E-mail: bank@acb.am  
Website: www.acb.am  
Tel: (37410)8686, (37410)51-09-10 (9104)  
Fax: (37410)53-89-04

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. 7 % annual interest shall accrue on AMD denominated deposit and annual interest rate of 3.75% for USD denominated deposit on 365-day year basis, or 366-day year basis for leap years, and in case of AMD placed deposit annual percentage yield will be 7.12%, and in case of USD deposit -3.79%\*:

\* 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.acb.am](http://www.acb.am).**

6. 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, Cirrus Maestro, VISA classic, VISA Electron, VISA Gold plastic cards
7. 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.
8. 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.
9. The deposit can be replenished at any time and with any amounts up to the 60<sup>th</sup> day prior to the expiry date of the deposit.
10. In case of requiring the deposit or the part of it 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 the rate of demand deposits. In case of non-requirement of the deposit after the expiry of the agreement, the agreement is deemed to be prolonged under the terms of demand deposits.
11. The Bank has the right to modify the extent of interest payable against demand deposit.
12. The Bank, with periodicity of at least 30 days, shall provide the depositor with a statement on its deposit account under the method of deposit agreement, except the cases, when that account has not been debited or credited during the accounting period, besides, in case of depositor's request, provide the depositor with the account statement at the rates announced by the Bank during the tenor of 5 days (presented below)
13. 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:

Provision of statements		0			AMD
Provision of references		AMD 5,000			
Deposit amount	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	
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.

14. 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.
15. 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.
16. 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.
17. 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".
18. 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.