

Approved by
Resolution N 61/03 –06.04.21 of
The Executive Board of ARMECONOMBANK OJSC
Dated 06 April 2021

Shall come into force on 09.04.2021
Publication date: 09 April 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
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. Child deposit attracts 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 with USD 50,000 and more is contractual.

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

* 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.

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 60th 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)

| | |
|-------------------------|-----------|
| Provision of statements | 0 |
| Provision of references | AMD 5,000 |

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:

AMD

| 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.

19. 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.
20. In compliance with the agreement signed with USA, to find out if you are a USA 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)).
21. 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.
22. “YOUR FINANCIAL INFORMER” 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
23. 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.