

**GUIDE TO TIME DEPOSITS
FOR INDIVIDUALS**

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TIME DEPOSIT

Minimum deposit amount: RUB 10,000

RUB	Interest Payment Scheme	Deposits Maturity, Days					
		31 to 90	91 to 180	181 to 270	271 to 365	366 to 730	731 to 1825
		Nominal Annual Interest Rate (Annual Percentage Yield)					
Ameria Deposit¹	Monthly / Monthly capitalization of interest	2.8% (2.84%)	3.9% (3.97%)	4.9% (5.01%)	5.4% (5.54%)	5.4% (5.54%)	5.4% (5.54%)
	Quarterly / Quarterly capitalization of interest	x	4% (4.06%)	5% (5.09%)	5.5% (5.61%)	5.5% (5.61%)	5.5% (5.61%)
	Annually / Annual capitalization of interest	x	x	x	x	5.7% (5.7%)	5.7% (5.7%)
	Upfront at the beginning of the term	2.7% (2.75%)	3.8% (3.91%)	4.7% (4.90%)	5.2% (5.49%)	5% (5.41%)	4.4% (5.09%)
Deposit with termination² option	Monthly / Monthly capitalization of interest	2.4% (2.43%)	3.5% (3.56%)	4.5% (4.59%)	5% (5.12%)	5% (5.12%)	5% (5.12%)
	Quarterly / Quarterly capitalization of interest	x	3.6% (3.65%)	4.6% (4.68%)	5.1% (5.2%)	5.1% (5.2%)	5.1% (5.2%)
	Annually / Annual capitalization of interest	x	x	x	x	5.3% (5.3%)	5% (5.3%)
Deposit with top-up³ option	Monthly / Monthly capitalization of interest	x	3.6% (3.66%)	4.6% (4.70%)	5.1% (5.22%)	4.9% (5.01%)	4.9% (5.01%)
	Quarterly / Quarterly capitalization of interest	x	3.7%	4.7%	5.2%	5%	5%

			(3.75%)	(4.78%)	(5.3%)	(5.09%)	(5.09%)
	Annually / Annual capitalization of interest	x	x	x	x	5.2% (5.2%)	5.2% (5.2%)
Deposit with partial withdrawal⁴ option	Monthly / Monthly capitalization of interest	x	3.6% (3.66%)	4.6% (4.7%)	5.1% (5.22%)	5.1% (5.22%)	5.1% (5.22%)
	Quarterly / Quarterly capitalization of interest	x	3.7% (3.75%)	4.7% (4.78%)	5.2% (5.3%)	5.2% (5.3%)	5.2% (5.3%)
	Annually / Annual capitalization of interest	x	x	x	x	5.4% (5.4%)	5.4% (5.4%)
Deposit with top-up³ and termination² options	Monthly / Monthly capitalization of interest	x	3.2% (3.25%)	4.2% (4.28%)	4.7% (4.8%)	4.5% (4.59%)	4.5% (4.59%)
	Quarterly / Quarterly capitalization of interest	x	3.3% (3.34%)	4.3% (4.37%)	4.8% (4.89%)	4.6% (4.68%)	4.6% (4.68%)
	Annually / Annual capitalization of interest	x	x	x	x	4.8% (4.8%)	4.8% (4.8%)
Deposit with partial withdrawal⁴ and termination² options	Monthly / Monthly capitalization of interest	x	3.2% (3.25%)	4.2% (4.28%)	4.7% (4.8%)	4.7% (4.8%)	4.7% (4.8%)
	Quarterly / Quarterly capitalization of interest	x	3.3% (3.34%)	4.3% (4.37%)	4.8% (4.89%)	4.8% (4.89%)	4.8% (4.89%)
	Annually / Annual capitalization of interest	x	x	x	x	5% (5%)	5% (5%)
Deposit with top-up³ and partial withdrawal⁴ options	Monthly / Monthly capitalization of interest	x	3.3% (3.35%)	4.3% (4.39%)	4.8% (4.91%)	4.6% (4.7%)	4.6% (4.7%)
	Quarterly / Quarterly capitalization of interest	x	3.4% (3.44%)	4.4% (4.47%)	4.9% (4.99%)	4.7% (4.78%)	4.7% (4.78%)
	Annually / Annual capitalization of interest	x	x	x	x	4.9% (4.9%)	4.9% (4.9%)
Deposit with top-up³, partial withdrawal⁴ and termination² options	Monthly / Monthly capitalization of interest	x	2.9% (2.94%)	3.9% (3.97%)	4.4% (4.49%)	4.2% (4.28%)	4.2% (4.28%)
	Quarterly / Quarterly capitalization of interest	x	3% (3.03%)	4% (4.06%)	4.5% (4.58%)	4.3% (4.37%)	4.3% (4.37%)
	Annually / Annual capitalization of interest	x	x	x	x	4.5% (4.5%)	4.5% (4.5%)

ATTENTION!

THE AMOUNTS AVAILABLE ON YOUR ACCOUNT ARE SUBJECT TO NOMINAL INTEREST RATE. THE ANNUAL PERCENTAGE YIELD SHOWS THE INCOME YOU CAN EARN IF YOU MAKE THE MANDATORY DEPOSIT PAYMENTS AND RECEIVE THE ACCRUED INTEREST WITH THE SELECTED FREQUENCY.

ANNUAL PERCENTAGE YIELD IS CALCULATED BY THE FOLLOWING FORMULA:

$$A = \sum_{n=1}^N \frac{K_n}{(1+i)^{\frac{D_n}{365}}} \quad (2)$$

Where

i is the narrowly defined effective rate (NDER)

K_n is n number of cash flows from the Bank's perspective

N is the number of cash flows related to that particular financial instrument

A is the initial amount attracted or provided

D_n is the period of receiving the nth cash flow expressed in the days elapsed from the day of the first flow (the day of first flow being the day of attracting or issuing the amounts)

¹**AMERIA DEPOSIT** is a standard time deposit where the depositors (or third party) are not allowed to add to or withdraw amounts from deposit account or convert the deposit into another currency during the term of deposit agreement.

²If the depositor terminates the deposit agreement before the due date, the Bank shall recalculate the accrued interest at the rate applicable to the deposit for the actual number of days elapsed as of the termination date.

If the deposit is requested back within a 30-day period after the start date, interest is recalculated at an annual rate of 0.1%.

This being the case, the option “payment of interest upfront at the beginning of the term” is not applicable.

³The client may top-up the deposited amount throughout the deposit term except the last 3 months. Maximum allowed increase is 30% of initial contractual amount. Funds transferred by third parties can be deposited in the name of the depositor provided the required details of deposit account are specified.

This being the case, the option “payment of interest upfront at the beginning of the term” is not applicable.

⁴The client may withdraw part of deposited amount throughout the deposit term except the first 3 months. Maximum allowed withdrawal is 30% of initial contractual amount. Interest accrued to withdrawn amount shall not be recalculated.

When deposit amount is reduced, the Bank provides an account statement to the depositor who acknowledges its receipt by their signature. Such signed receipt shall be the proof of actual decrease of deposit amount.

This being the case, the option “payment of interest upfront at the beginning of the term” is not applicable.

Terms and conditions for deposits over AMD 2 billion or foreign currency equivalent shall be subject to internal regulations of the Bank.

Additional Benefits

The Bank may, at its own discretion, provide to the depositor **a loan, debit or credit card with revolving or non-revolving line of credit** on the following terms:

Currency	Interest Rate	Credit Limit/Deposit (LTV) ¹ Ratio
Same as deposit currency	Deposit rate + 4%	Up to 90%
Other than deposit currency	As per Retail Lending Terms	Up to 70%

The Bank shall have the right to charge any overdue liabilities on credit card to the deposit account through direct debiting.

Terms and Conditions

1. The payment of deposit to the Bank is documented by a written instrument, i.e. bank deposit agreement.
2. For clients making a time deposit the Bank opens an account in AMD. If the deposit is in foreign currency, the Bank opens an account in the deposit currency as well. In the latter case no account opening fee is charged.
3. Account statements are subject to the following terms.

<i>Fee for provision of account statement</i>	
Provision of account statements, copies of account statements or other documents kept in electronic form, backdated up to 1 year	Free
Provision of account statements or copies of account statements backdated more than 1 year or other documents kept in electronic form ²	AMD 5,000 per annual statement per account, VAT included
Provision of copies of documents kept in paper form or copies of electronic documents backdated more than 1 year	AMD 5,000 per document, VAT included

4. The Bank calculates interest based on 365 days per year.
5. Calculation of interest shall start from the day following the date of payment of deposit to the Bank and end one day before deposit end date.
6. Interest is taxable at 10% or 5% pursuant to the tax legislation of Republic of Armenia or Nagorno Karabakh Republic, respectively.
7. Interest may be paid by one of the following schemes as defined in deposit agreement:
 - 7.1 Monthly:** interest is credited to the depositor's bank account on monthly basis from the deposit start date. Before payment of interest the Bank withholds the income tax.
 - 7.2 Monthly capitalization of interest:** net interest (after tax) is accrued to deposit principal every month to the start date of the deposit or on the first banking day after that. Interest for each subsequent period is accrued to the sum of the previous month's interest and the principal amount. The term of deposits with compound interest rates should be at least 60 days.
 - 7.3 Quarterly payment:** interest is credited to the depositor's bank account on quarterly basis on the last day of the quarter. Before payment of interest the Bank withholds the income tax.
 - 7.4 Quarterly capitalization of interest:** net interest (after tax) is accrued to deposit principal every quarter to the start date of the deposit or on the first banking day after that. Interest for each subsequent period is accrued to the sum of the previous quarters' interest and the principal amount.
 - 7.5 Annual payment:** interest is credited to the depositor's account on annual basis on the last day of the year. Before payment of interest the Bank withholds the income tax.

¹The deposit amount used for calculation of the ratio does not include the interest paid at the beginning of the term.

²Account statements, their copies and other materials (including references, documents, their copies) backdated more than 3 years are provided on contractual terms.

7.6 Annual capitalization of interest: net interest (after tax) is accrued to deposit principal every year to the start date of the deposit or on the first banking day after that. Interest for each subsequent period is accrued to the sum of the previous years' interest and the principal.

7.7 Payment of interest upfront at the beginning of the term: interest is paid upfront on the start day of the deposit. Before payment of interest the Bank withholds the income tax.

8. The Bank shall not, at its own initiative and discretion, decrease the interest rate defined by deposit agreement during the term of the agreement.
9. The deposit agreement may be extended in cases and in the manner provided for by the agreement and terms and conditions of deposits for individuals.
10. The Bank shall repay the deposit, whether fully or partially, forthwith upon request of the depositor. In accordance with these terms and conditions, if the deposit is requested back before the due date, the Bank shall recalculate and repay the amount based on the depositor's withdrawal application. This being the case, the Bank shall pay interest at a 0.1% annual rate instead of the rate defined by deposit agreement. If the interest chargeable back after recalculation has already been paid to the client, the difference between such interest and interest at 0.1% annual rate is charged to the deposit. This clause is applicable unless otherwise defined by the deposit terms and/or deposit agreement.
11. If the depositor does not request to return the deposit amount upon expiry of the agreement, then based on the option selected by the depositor in the agreement either (i) the agreement is prolonged in the manner defined therein and subject to the interest rates effective in the Bank at that time, or (ii) the deposit is transferred to the depositor's bank account to be serviced in accordance with the then applicable current bank account rates and fees.
12. In case of the depositor's decease, accrual of interest will continue until expiry of deposit agreement, after which the Bank transfers the deposit and accrued interest to the depositor's account. In this case, these amounts shall be transferred to the heirs of the depositor upon submission of properly perfected and executed documents on property rights, evidencing the fact of inheritance.
13. Repayment of deposits is guaranteed by the Deposit Guarantee Fund in accordance with the Law of the Republic of Armenia "On Guarantee of Remuneration of Bank Deposits of Physical Entities". The Law defines the following terms of deposit guarantee:

- For deposits in AMD only, the guarantee coverage is AMD 10.0 million.
- For deposits in foreign currency only, the guarantee coverage is AMD 5.0 million.
- For deposits both in AMD and foreign currency where the AMD-denominated deposit exceeds AMD 5.0 million, the guarantee coverage is up to AMD 10.0 million for AMD-denominated amount only.
- For deposits both in AMD and foreign currency where the AMD-denominated deposit amount is less than AMD 5.0 million, the guarantee coverage is 100% for AMD deposit + difference between AMD 5.0 million and reimbursed amount in AMD for foreign currency deposit.

14. Disagreements and disputes arising out of or in connection with deposit agreement shall be settled through negotiations between the parties. If the parties fail to reach agreement, the settlement shall be reached in the order defined under the legislation of the Republic of Armenia. Disagreements and disputes arising out of a property claim of which the value is within AMD 10,000,000 or foreign currency equivalent may be settled through the Financial System Mediator.

Ameriabank has waived its right to dispute the decisions of the Financial System Mediator subject to the following conditions:

- The Bank is entitled to terminate the waiver agreement at any time.
- The agreement is effective for one year.
- The Bank has waived its right to dispute the decisions of the Financial System Mediator only if the property claim does not exceed AMD 250,000 and the amount of transaction does not exceed AMD 500,000.

Examples

1. The depositor wishes to make an America Deposit in Armenian drams for a term of 366 days with interest to be paid upfront at the beginning of the term.
Deposit amount: 100,000 AMD
Deposit start date: June 1, 2018

Maturity: June 2, 2019

Annual simple interest rate: **7.5%**

Interest payment date: June 1, 2018 (the deposit will be effective for 365 days, start date and payment date are counted out)

Interest to be paid = $100,000 * 7.5\% / 100 / 365 * 365 = 7,500$ AMD

Net interest to be paid (less 10% income tax) = $7,500 - 7,500 * 10 / 100 = 6,750$ AMD

2. The depositor wishes to make an Ameria Deposit in US dollars for a term of 271 days with termination and top-up options. Preferred interest payment scheme is quarterly payment.

Deposit amount: 10,000 USD

Deposit start date: June 1, 2018

Maturity: February 27, 2019

Annual simple interest rate: **2.6%**

First interest payment date: September 1, 2018 (the deposit has been effective for 91 days, start date is counted out)

Interest to be paid = $10,000 * 2.6\% / 100 / 365 * 91 = 64.82$ USD

Net interest to be paid (less 10% income tax) = $64.82 - 64.82 * 10 / 100 = 58.33$ USD

Second interest payment date: December 1, 2018 (the deposit has been effective for 91 days)

Interest to be paid = $10,000 * 2.6\% / 100 / 365 * 91 = 64.82$ USD

Net interest to be paid (less 10% income tax) = $64.82 - 64.82 * 10 / 100 = 58.33$ USD

Third interest payment date: February 27, 2019 (the deposit has been effective for 88 days, the last day of the term is counted out)

Interest to be paid = $10,000 * 2.6\% / 100 / 365 * 88 = 62.68$ USD

Net interest to be paid (less 10% income tax) = $62.68 - 62.68 * 10 / 100 = 56.41$ USD

3. The depositor has made an Ameria Deposit in US dollars for a term of 271 days with termination and top-up options. The interest payment scheme is quarterly payment. After 91 days the depositor decided to terminate the deposit.

Deposit amount: 10,000 USD

Deposit start date: June 1, 2018

Termination date: August 31, 2018

Recalculation rate at the time of termination: **1%** (the rate defined for Ameria Deposits with termination and top-up options and maturity of 91 days)

Interest payment date: August 31, 2018 (the deposit has been effective for 90 days, start date and payment date are counted out)

Interest to be paid = $10,000 * 1\% / 100 / 365 * 90 = 24.65$ USD

Net interest to be paid (less 10% income tax) = $24.65 - 24.65 * 10 / 100 = 22.18$ USD

4. The depositor wishes to make an Ameria Deposit in euros for a term of 181 days with withdrawal option. Preferred interest payment scheme is quarterly capitalization.

Deposit amount: 1,000 EUR

Deposit start date: June 1, 2018

Maturity: November 29, 2018

Annual simple interest rate: **0.7%**

Interest capitalization date: September 1, 2018 (the deposit has been effective for 91 days, start date is counted out)

Interest to be paid = $1,000 * 0.7\% / 100 / 365 * 91 = 1.745$ EUR

Net interest to be paid (less 10% income tax) = $1.745 - 1.745 * 10 / 100 = 1.57$ EUR

Deposit principal = $1,000 + 1.57 = 1,001.57$ EUR

On September 2, 2018, the depositor withdrew 201.57 EUR.

Interest payment date: September 30, 2018 (the deposit has been effective for 29 days (payment date is counted out), during which the deposit principal was EUR 1,001.57 for 1 day and 800 EUR for the remaining 28 days)

Interest to be paid = $1,001.57 * 0.7\% / 100 / 365 * 1 + 800 * 0.7\% / 100 / 365 * 28 = 0.019 + 0.429 = 0.448$ EUR

Net interest to be paid (less 10% income tax) = $0.448 - 0.448 * 10 / 100 = 0.403$ EUR