

# NOTIFICATION

## ON CONDITIONS AND REGULATION OF DEPOSIT REIMBURSEMENT GUARANTEES

ATTENTION: Before signing Deposit agreement, please read the provisions of this document.

Your deposit reimbursement guarantor is the Deposit Guarantee Fund (hereinafter the Fund).

Fund address: 0010, Yerevan, 15 M. Khorenatsi, Elite Plaza business complex, office 2-A5

Tel: (+374 10) 58-35-14

Website: [www.adgf.am](http://www.adgf.am)

All definitions used in this notification comply with the RA Law “On guarantee of remuneration of Bank deposits of physical entities”.

### **CASE OF REMUNERATION**

Your guaranteed deposit is subject to remuneration in the following cases:

1. When the bank is recognized insolvent based on the legislation of the Republic of Armenia and when the Board of the Central Bank of the Republic of Armenia (hereinafter referred to as the Central Bank) confirms the fact of disability of the bank to refund the deposits within the timeframe set by law and contracts, or
2. When the bank is recognized bankrupt based on legislation of the Republic of Armenia (hereinafter referred to as the insolvent bank)

### **MAXIMUM AMOUNT AND CALCULATION OF THE GUARANTEED DEPOSIT**

The order of calculation guaranteed deposit is set by the resolution of the Board of the Central Bank of the Republic of Armenia.

ATTENTION: All your dram denominated deposits with the same bank are considered as one dram denominated deposit, with the exception of non-guaranteed deposits, and all foreign currency denominated deposits with the same bank are considered as one foreign currency deposit, with the exception of non-guaranteed deposits.

In case your deposit is formed as a result of joining of one or more banks, than each deposit in each joining bank is treated as a separate banking deposit in the manner stipulated by Law.

The guaranteed deposits amounts are as follows:

| Currency structure of the deposit            | If you hold only a dram denominated bank deposit with the insolvent bank | If you hold only a foreign currency denominated bank deposit with the insolvent bank | If you hold both dram and foreign currency denominated bank deposit with the insolvent bank |  |
|--|--|--|---|--|
|  |  |  | with the dram deposit amount exceeding 7 million AMD  | with the dram deposit amount being less than 7 million AMD   |
| Maximum amount of a guarantee of the deposit | 16 million AMD   | 7 million AMD  | 16 million AMD (only a dram denominated deposit will be guaranteed)                         | 7 million AMD (dram denominated bank deposit will be guaranteed entirely, and a foreign currency denominated bank deposit – for the difference between seven million Armenian drams and the remunerated dram denominated bank deposit) |

If you hold an individual bank deposit with the insolvent bank and at the same time you are an owner of a joint bank deposit with the same bank, the guaranteed deposit shall be considered the sum of individual bank deposit and own portion of the joint bank deposit in the amount and according to the procedure defined by the Law.

If you hold a problematic liability to the insolvent bank, the remuneration amount shall be the positive difference between the bank deposit and the problematic liability. The problematic liability is the one which principal amount (or the part of it) or interest/s are overdue for more than 90 days.

A joint deposit of two or more depositors is treated as an individual bank deposit of each of the parties, apportioned according to the deposit contract. In the event the contract does not apportion the amounts of the joint bank deposit, it shall be divided among the depositors equally.

Guaranteed bank deposits will be paid only in AMD. The dram equivalency of a foreign currency denominated bank deposit is determined using average exchange rate formed in the currency market published by the Central Bank as of the date of the event of remuneration.

Your bank deposit is not be reimbursed, if as of the day of the event of remuneration the amount of the deposit is less than 1000 Armenian drams.

### **NOT GUARANTEED BANK DEPOSIT**

Your deposit is not guaranteed if:

- a) You are a manager of this Bank and (or) a member of his/her family,
- c) You are a party holding a significant participation in this bank and (or) a member of his/her family,
- d) You, as a owner (co-owner) of the deposit have waived ownership over your share,
- e) Your deposit has been recognized as criminally obtained funds by Law and other regulations, unless the opposite is not proved by you.
- f) Your deposit has been invested in the given Bank at a rate at least 1.5 times higher than the interest rate on similar bank deposits specified in the offer to sign a public contract by that bank.
- g) Your deposit is invested at the Branches of the Bank established outside RA, as well as in the branches of foreign Banks established in RA.

Regardless deposit currency, remuneration is realized in AMD per to the rate defined by the Central bank of Armenia for that day.

### **ARRANGEMENT AND TIMELINE OF REMUNERATION OF GUARANTEED DEPOSIT**

During 3 working days after the deposit remuneration event the Fund announce about that. In a month after the deposit remuneration event the Fund starts to implement your deposits remuneration through the insolvent or other bank. The process starts after giving an appropriate announcement in mass media by the Fund. You can submit an application to the Bank implementing remuneration of the guaranteed deposit not later than during 3 years after the remuneration process initiation. If you do not submit during that period the Fund will not reimburse your guaranteed deposit. The fund shall reimburse during 3 working days after receiving the appropriate submission, except in cases stipulated by Law.

**Per to the amount and regulation defined by the RA Law “On guarantee of remuneration of Bank deposits of physical entities” the moment of the investing the deposit is considered:**

**Guaranteed deposit**

**Not guaranteed deposit**

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| Depositor<br>Name Surname<br><br>Address<br><br>Passport N, issued on, given by<br><br>Name Surname<br>----- | BANK<br><br>ARMSWISSBANK CJSC<br>Vazgen Sargsyan 10, Yerevan 0010,<br>Tax code 02574955<br><b>Tel: (+374 60) 757-000, (+374 11) 757-000</b><br><b>Website: <a href="http://www.armswissbank.am">www.armswissbank.am</a></b><br>Deputy CEO<br>G. Khachatryan<br>----- |
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