

The terms mentioned in the bulletin may have been amended.

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INFORMATION BULLETIN ON SPECIAL ACCOUNT OF SOCIAL PACKAGE

Action	Tariff
Client group	People entitled to use social package as defined by Decision N 1691-N of the RA Government dated December 27, 2012.
Account opening and servicing fee	Free of charge
Account currency	AMD
Cash deposit to the account	According to the "Tariffs of bank accounts, transfers and other services provided by "ID Bank" CJSC"
Types of transactions through the account	Account replenishment
	Transfer of funds provided in the frames of social package
	Cash deposit
	Account withdrawal
	Funds available on the account are subject to cash-out in cases prescribed by the decision N 1691-N of the RA Government dated December 27, 2012.
Provision of cash/cash-out from account	Free of charge
Provision of account statement	Free of charge
Provision of a reference on the account	Free of charge
Annual nominal interest rate	1%
Annual actual interest rate	1.005%
Method of interest calculation	Interest rate is calculated on daily balance of the account unless otherwise provided by the agreement.
Account closure	Free of charge
Other conditions	According to the "Tariffs of bank accounts, transfers and other services provided by "ID Bank" CJSC"

1. Funds available on the social package account can be disposed in the following directions:
 - 1) Organization of leisure and recreation in the Republic of Armenia and the Republic of Nagorno Karabakh,
 - 2) Repayment of the monthly mortgage fee which can be used by the social package beneficiary or his/her immediate family member (members),
 - 3) Repayment of the tuition fee which can be used by the social package beneficiary or his/her immediate family member (members),
 - 4) Repayment of the fee for using additional services not included in the health insurance package which can be used by the social package beneficiary,
 - 5) Repayment of the fee for using the services of sport and wellness complexes, pools and other sport organizations which can be used by the social package beneficiary or his/her family member (members),
 - 6) Repayment of the monthly fee of student loan with state subsidy which can be used by the social package beneficiary or his/her family member (members).
2. Documents to be submitted within the social package:
 - 1) Identification card or identity document,
 - 2) Bill or reference for transfer of prepayment which reflects the requisites of the organization rendering the service and the details (first name, last name, place of residence, citizenship, passport details (serial number, validity term, issuer), the type of the service and the purpose of the transfer).
 - 3) Invoice with appropriate requisites.
 - 4) Reference on social package account which shall be submitted in case of change of the social package account and shall be provided by the new bank to be serving the social package account.
 - 5) Reference in case of using the service of repayment of the monthly mortgage loan payment unless the mortgage loan is extended by the Bank.
 - 6) Documents that serve as a basis for transfer of funds for using the social package services by the immediate family member of the social package beneficiary.
 - 7) Payment document for leisure service which must contain a note about the date/term of rendering the leisure service whereby the payment documents shall be submitted to the Bank before using that service or no later than within 15 days after provision of the service.
3. Social package account is opened for an indefinite term.
4. Transfers from the social package account for the social package services are made upon submission of the relevant reference on undergoing a mandatory preventive medical examination component of the health package or a relevant document on the existence of a privileged right/condition to the Bank.

5. The social package account can be closed by the Bank without the application of the client in case if no transactions have been performed through the account for a period of one year and if there are no funds available on the account balance.
6. The social package account can be changed only in the new budget year before the transfer of the first amount of social package for the current year.
7. In case of submission of an account closure application by the Client, the account shall be closed within 1 (one) banking day.
8. The rights and obligations of the parties in terms of opening, maintaining and cash servicing of social package accounts are defined by a relevant agreement.
9. Interest calculated on the balance of the social package account is accrued on a monthly basis.
10. Interest accrued on social package account is paid in AMD.
11. Interest on the funds available on the social package account is accrued starting from the day of deposit of funds until their return to the Client or until the day preceding withdrawal of funds from the Client's account on another basis.
12. The Bank reserves the right of a tax agent to calculate and pay income tax (10%) from interest received on account as defined by law.
13. Attention – Interest against funds available on the Client's account is calculated based on the nominal interest rate. And the annual percentage yield indicates the income of the Client to be received as a result of making mandatory deposit payments and receiving the earned interest amounts at defined intervals. The order of calculation of annual percentage yield can be found at the following link [Annual percentage yield calculation](#).
14. The annual percentage yield (APY) calculated without the income tax and with annual simple interest rate of 1%: APY=1.01%.

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

Where:

APY – annual percentage yield,

A – initial deposit amount,

n – serial number of cash flows against the deposit,

N – the last number of cash flows against the deposit (including cash flow at the moment of opening the deposit) after which the deposit agreement term is considered to be expired.

K_n – flows of capitalized interest amounts at the moment of opening a deposit and/or deposit opened during the term of the deposit, as well as mandatory payments if any.

D_n – the number of days between the date of opening a deposit and each n-th deposit-related cash flow included. When cash flows occur at the moment of opening a deposit, $D_1=0$.

Example of annual percentage yield calculation:


Deposit start date: 01.08.2018
Deposit amount: 72,000 AMD
Annual interest rate: 1.00%
Deposit term: 365 days
Amount of income tax: 10%
Calculated interest amount: $72,000 \times 1.00\% : 365 \times 364 = 718.03$
Income tax: $718.03 \times 10\% = 71.80$
Interest income received by the depositor: 646.23 AMD

15. Withdrawal of funds from the Client's account is performed no later than on the banking day following submission of the relevant payment order to the Bank.
16. Funds directed to the Client's account are credited to the Client's account no later than within one day after admission of the relevant payment order by the Bank.
17. Social package account statements are provided to the Client at least once every 30 days in a way preferred by the Client:
 - By e-mail,
 - In person,
 - By mail.
18. The Bank is not obliged to provide the account holder with an account statement if the Bank did not debit or credit the given account within the reporting period.
19. The tariffs on providing account statements and copies of payment documents as well as other information are defined according the "Tariffs of bank accounts, transfers and other services provided by "ID Bank" CJSC" applied by the Bank.
20. **The Client has the right to communicate with the Bank through a preferred means of communication: e-mail of regular post. The electronic means of communication is the most comfortable. It is available 24/7 and is free of the risk of losing information in paper as well as ensures confidentiality.**
21. In case of discovering inaccuracies in the transactions related to the account within 15 days after receiving the account statement, the Client may submit an appeal to the Bank. If no such appeals are received within the mentioned period, the Bank shall deem the statement as accepted. The appeal shall be submitted to the Bank in a written form. The Bank accepts the received appeal for processing within the prescribed period by carrying out corresponding actions as defined by rules of local and international payment systems.
22. The list of branches and ATMs of the Bank, information on their locations and working hours can be found at the following link: [Branches and ATMs.](#)

23. Remote servicing of physical entity Clients by the Bank is provided through the IDBanking.am online system. The order and tariffs on rendering remote services by the Bank are presented in “Public terms on remote banking services”.

Attention

- 24. The Bank has the right to unilaterally change the amount of simple interest paid against funds available on the social package account by notifying the account holder 15 days before they enter into force by publishing them on the Bank’ official website at www.idbank.am.
- 25. Disputes arising between the Bank and the Client are settled through negotiations between the parties. Disputes between the parties can be settled through the Financial System Mediator (in an order defined by RA law on “Financial System Mediator”) located at Elite Plaza” Business Center, 7th floor, 15 Khorenatsi str., Yerevan 0010, Armenia, tel. (+374 60) 70-11-11. Fax (+374 10) 58-24-21, e-mail: info@fsm.am, and/or through commercial arbitration (in an order defined by RA law “On Commercial Arbitration”).
- 26. Funds invested in the social package account cannot be pledged, seized (frozen), confiscated against client’s obligations or serve as a means of liquidation for performance of obligations in case of bankruptcy of the client, except for cases when those funds have been formed from interest paid to the client by the Bank for using the funds on the special bank account, with the exception of other cases defined by the notary or regulatory legal acts.
- 27. Refundability of funds available on the social package account is guaranteed in accordance with the RA law “On Guarantee of Remuneration of Bank Deposits of Physical Entities”.
- 28.

Reimbursement of bank deposits of physical entities in “IDBank” CJSC is guaranteed by the “Deposit Guarantee Fund of Armenia” in the amounts of deposits subject to reimbursement, particularly:				
Currency structure of deposit	If you hold only a bank deposit in AMD in the same bank	If you hold only bank deposit in a foreign currency in the same bank	If you hold bank deposits both AMD and foreign currency in the same bank	
			If the deposit in AMD exceeds 7 million AMD	If the deposit in AMD is less than 7 million AMD
Maximum amount of guaranteed deposit	16 million AMD	7 million AMD	16 million AMD (only the deposit in AMD is guaranteed)	7 million AMD (the bank deposit in AMD will be guaranteed in full, and the bank

				deposit in a foreign currency will be guaranteed in the amount of the difference between 7 million AMD and the bank deposit in AMD subject to reimbursement)
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29. List of documents required for opening a social package account:
- Client's identity document, Social card/Public Services Number (PSN)/ID card/ or reference on non-receiving of a PSN
30. Provisions, which are not regulated by this Information Bulletin, are regulated according to the ["Tariffs of bank accounts, transfers and other services provided by "ID Bank" CJSC"](#).

ATTENTION: THE BANK IS CONTROLLED BY THE RA CENTRAL BANK