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|  |  | AMERIABANK CJSC   |       | 10RB PL 72-03-02  |       |   |       |
| RETAIL SME LENDING TERMS   |  |   |       | Edition 38  |       |   |       |
|  |  |   |       | Effective date: 10.08.2019                                    |       |   |       |
| 1. Retail SME loans secured by assets  |  |   |       |   |       |   |       |
|  | Loan type  | Retail SME loans secured by assets  |       |   |       |   |       |
| Purpose  | Purpose *  | Purchase of working and fixed assets; other investments; transfer of outstanding business loans with other banks/credit organizations to Ameriabank CJSC  |       |   |       |   |       |
|  | If financed under GAF “Energy Efficiency for SMEs” program   | Purchase of energy efficient equipment and facilities, infrastructure construction and other projects using renewable energy sources**  |       |   |       |   |       |
|  | If financed under GAF-MSME program   | Purchase of working and fixed assets and/or other investments   |       |   |       |   |       |
|  | Clients  | Legal entities and sole entrepreneurs with at least 6-month business history  |       |   |       |   |       |
| Exclusion list   | Exclusion list   | 1. Production or trade in any product or activity deemed illegal under the Republic of Armenia laws or regulations or international conventions and agreements<br>2. Production or trade in weapons and munitions<br>3. Gambling, casinos and equivalent enterprises<br>4. Trade in precious stones<br>5. Currency exchange office<br>6. Brokerage or bookmaking offices<br>7. Production, use of or trade in hazardous substances (like radioactive materials) other than pesticides and fertilizers used in agriculture |       |   |       |   |       |
|  | If financed under GAF MSME and “Energy Efficiency for SMEs” programs   | IFC Exclusion List (available as Annex 1 or at <a href="http://www1.ifc.org/wps/wcm/connect/Topics_Ext_Content/IFC_External_Corporate_Site/IFC+Sustainability/Sustainability+Framework/IFC+Exclusion+List/">http://www1.ifc.org/wps/wcm/connect/Topics_Ext_Content/IFC_External_Corporate_Site/IFC+Sustainability/Sustainability+Framework/IFC+Exclusion+List/</a> )  |       |   |       |   |       |
|  | Currency   | AMD   |       | USD   |       | EUR   |       |
|  | Minimum and maximum loan limit   | AMD 1 million - 150 million or its equivalent in foreign currency   |       |   |       |   |       |
|  | Term for loans financed under GAF MSME or “Energy Efficiency for SMEs” program, or "Women in Business" program   | 6-120 months  |       |   |       |   |       |
|  | Loans to agro-processing industry for procurement of agricultural raw materials (in accordance with the requirements of the respective program of the Armenian Government)                     | Up to 12 months (with a 2-3 months grace period)  |       |   |       |   |       |
|  | Loans for purchase of pedigree cattle to promote cattle-breeding in Armenia under 2019-2024 program (in accordance with the requirements of the respective program of the Armenian Government) | Up to 60 months (with 12 months grace period)   |       |   |       |   |       |
|  | Term (months)  | 6-36 (also applicable in case of purchase of working assets)  |       |   |       |   |       |
|  | Standard annual interest rate <sup>1</sup>   | Fixed   |       | Fixed   |       | Fixed   |       |
|  |  | 12.5%   |       | 9.5%  |       | 7.5%  |       |
|  | Term (months)  | 37-60 (also applicable in case of purchase of working assets)   |       |   |       |   |       |
|  | Standard annual interest rate <sup>1</sup>   | Adjustable (rate can be changed starting from the 13th month)   | Fixed | Adjustable (rate can be changed starting from the 13th month) | Fixed | Adjustable (rate can be changed starting from the 13th month) | Fixed |
|  |  | Fixed component 5.0% + variable component (base rate)   | 13.5% | Fixed component 8.0% + variable component (base rate)         | 10.5% | Fixed component 7.0% + variable component (base rate)         | 8.5%  |

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| Terms of loan  | Term (months)  | 61-120   |   |                            |   |       |
|  | Standard annual interest rate <sup>1</sup>   | Adjustable (rate can be changed starting from the 37th month)  | Adjustable (rate can be changed starting from the 37th month) | Fixed                      | Adjustable (rate can be changed starting from the 37th month) | Fixed |
|  |  | Fixed component 6.0% + variable component (base rate)  | Fixed component 9.0% + variable component (base rate)         | 11.5%                      | Fixed component 8.0% + variable component (base rate)         | 9.5%  |
|  | Other terms related to interest rate   | If the loan is secured by cash or bonds issued by Ameriabank, the interest rate is:<br>- Applicable interest rate for cash/bond + 4%, but in any case not more than the rates specified above, if the loan and the collateral are in the same currency<br>- Rates specified above, if the loan and the collateral are in different currencies  |   |                            |   |       |
|  |  | Where the client wishes that insurance of pledge should be obtained by the bank, the rate of interest is increased by:<br>• 2.5% if the pledge is vehicle, or<br>• 0.5% if the pledge is plant and equipment.<br>Where the insurance of real estate is obtained by the client, the interest rate is reduced by 0.05%, based on the share of each type of assets in the total collateral. |   |                            |   |       |
|  |  | If loan-to-value ratio differs from approved standard, the applicable interest rate is increased by 0.5%.  |   |                            |   |       |
|  |  | Depending on credit history, the applicable interest rate can be increased by 0.5%.  |   |                            |   |       |
|  | Interest rate in case of loans financed under GAF MSME program <sup>1</sup>  | The annual interest rate on AMD-denominated loans is:<br>10.25% fixed interest rate if the term is 6-36 months;<br>11.25% fixed interest rate if the term is 37-60 months;<br>Fixed component 3.75% + variable component (base rate) if the term is 61-120 months  |   |                            |   |       |
|  | If financed under GAF “Energy Efficiency for SMEs” program   | The annual interest rate on AMD-denominated loans is 10.9%.  |   |                            |   |       |
|  | If financed under EBRD "Women in Business" program   | The annual interest rate on AMD-denominated loans is 12.9%.  |   |                            |   |       |
|  | Loans to agro-processing industry for procurement of agricultural raw materials (in accordance with the requirements of the respective program of the Armenian Government)                     | 12% on AMD-denominated loans (9% if with possibility of subsidy)   |   |                            |   |       |
|  | Loans for purchase of pedigree cattle to promote cattle-breeding in Armenia under 2019-2024 program (in accordance with the requirements of the respective program of the Armenian Government) | 12% on AMD-denominated loans ( 10%,12*****% if with possibility of subsidy)  |   |                            |   |       |
|  | Loan disbursement fee  | 1% of the loan principal or AMD 50,000, whichever the greater (does not apply to loans to agro-processing industry for procurement of agricultural raw materials and loans for purchase of pedigree cattle)  |   |                            |   |       |
|  | If financed under GAF MSME and “Energy Efficiency for SMEs” programs   | Up to 1.5 % of the loan principal  |   |                            |   |       |
|  | Loan cashing   | N/a  |   |                            |   |       |
| Forms of loan repayment  | Loan repayment form  | Annuity (equal monthly installments consisting of a portion of loan and a portion of interest)   |   |                            |   |       |
|  |  | (The loan principal is paid out in equal installments while the interest is calculated on the outstanding loan and decreases with each repayment; principal and interest payable on monthly basis)<br>The annual interest rate for such loan schemes is at least +0.5% to the effective rate.  |   |                            |   |       |
|  |  | Mixed<br>(The client may choose a preferable repayment schedule based on business seasonality, but the installment of the loan principal repaid during 1 year shall be equal to at least 15% of the loan principal specified in the agreement. Interest is payable on monthly basis.)<br>The annual interest rate for such loan schemes is at least +0.5% to the effective rate.         |   |                            |   |       |

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| Security   | Eligible security  | Real estate, vehicles, plant and equipment to the reasonable satisfaction of the bank, metal accounts in gold, cash and bonds issued by Ameriabank  |                            |
|  | LTV ratio (based on the liquidation value)   | <p>The value of the loan security shall be included in the estimation of the LTV ratio in an amount not more than:</p> <ol style="list-style-type: none"> <li>Up to 100% if the loan is secured by real estate<sup>1</sup> <ol style="list-style-type: none"> <li>Under "Women in Business" program: 100%</li> <li>Vehicles: 50%</li> </ol> </li> <li>Property and equipment: 40%, but not more than 30% of the value of aggregate pledge</li> <li>Metal accounts in gold with Ameriabank: 80%</li> <li>Cash collateral/bonds issued by Ameriabank:                             <ul style="list-style-type: none"> <li>-90% if currency of the collateral is the same as of the loan</li> <li>-70% if currencies of the collateral and the loan are different</li> </ul> </li> </ol>  |                            |
|  | Age of vehicles to be pledged  | Max 12 years for foreign brand vehicles other than vehicles made in Russia, China and Iran, in which case max age is 8 years  |                            |
|  | Location of real estate to be pledged  | Armenia/Nagorno Karabakh  |                            |
|  | If financed under GAF MSME, GAF “Energy Efficiency for SMEs” or EBRD "Women in Business" programs      | Armenia   |                            |
|  | Property appraisal   | Pledged assets to be appraised by an appraising partner of the bank.  |                            |
|  | Additional security  | Individual guarantees by founders/beneficial owners of businesses are a required condition. The Bank may request guarantees by other individuals and/or companies as additional security.   |                            |
| Insurance of pledged property  | Insurance of property  | <p>The insurance of the pledged real estate is to be obtained only if it is or will be used for business purposes. The insurance of real estate, vehicles and plant and equipment is maintained throughout the loan term:</p> <ol style="list-style-type: none"> <li>By the Client at least for the amount of the outstanding principal/credit limit</li> <li>By the Bank for the amount of the outstanding principal/credit limit.</li> </ol> <p>The following vehicles are not subject to insurance:</p> <ul style="list-style-type: none"> <li>Vehicles transporting hazardous materials (toxic substances, chemicals, radioactive and explosive materials)</li> <li>Vehicles to be used in races, test drives; vehicles which have three wheels, snow removers, motorcycles, special purpose vehicles</li> <li>Taxis and rental cars</li> </ul> |                            |
| Loan service fees *****  | Modification of the loan terms   | AMD 25,000  |                            |
|  | Substitution of pledged property (for real estate; including change of the property owner)             | AMD 20,000  |                            |
|  | Substitution of pledged property (for vehicles; including change of the owner of the pledged vehicles) | AMD 10,000  |                            |
|  | Provision of pledge-related consents, permissions and references                                       | AMD 10,000 (VAT included)   |                            |
|  | Change of the loan repayment date  | AMD 10,000  |                            |
|  |  | Required documents filed together with loan application   |                            |
|  |  | Loan application  |                            |
|  |  | Passports (original) (for private entrepreneurs)  |                            |
|  |  | TIN certificate, state registration certificate (for corporate applicants, information on the executive body is required)   |                            |
|  |  | Charter (for corporate applicants)  |                            |
|  |  | Copies of the passports and social security cards of the shareholders and CEO/President (for corporate applicants)  |                            |
|  |  | Documents required after initial approval   |                            |
|  |  | Copies of the state registration certificates and the inserts of the Borrower and legal entities and private entrepreneurs affiliated with the Borrower   |                            |

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| Required documents   | Required documents                 | Financial statements for the latest reporting period, certified by the tax authority   |                            |
|  |                                    | For the recent reporting year (for those filing the balance sheet and the statement of comprehensive income); for the recent reporting quarter (for fixed and/or simplified tax payers)  |                            |
|  |                                    | Copy of the certificate of title or the document certifying the right to lease the premises used as place of business  |                            |
|  |                                    | Sale/supply agreements, orders, invoices, other documents supporting the normal process of sales   |                            |
|  |                                    | Licenses, certificates and other documents required for business operation (copies)  |                            |
|  |                                    | Documents certifying title to the assets (real estate and/or movable property) to be pledged   |                            |
|  |                                    | Geodetic measurement report of land plot to be pledged****   |                            |
|  |                                    | Tax clearance certificate  |                            |
|  |                                    | Initial report on appraisal of real estate/vehicle   |                            |
|  |                                    | Documents required after loan approval   |                            |
|  |                                    | Copies of bases of title to real estate (to be submitted upon request)   |                            |
|  |                                    | Passports of the owners of the property to be pledged (copy of the spouse death certificate)   |                            |
|  |                                    | Bases of title to real estate  |                            |
|  |                                    | Copy of the marriage (divorce, spouse death) certificate   |                            |
|  |                                    | Statement from the State Committee of Real Estate Cadaster on encumbrance of real estate (unified statement)   |                            |
|  |                                    | Statement, issued by the Police, on encumbrance of vehicle   |                            |
|  |                                    | Pledged property appraisal report (final)  |                            |
|  |                                    | Real estate/vehicle insurance agreement (as required)  |                            |
|  |                                    | Approval of the authorized body of corporate applicant to execute loan and pledge-related transactions   |                            |
|  |                                    | Reference on registered shareholders/stockholders/founders, director and the latest amendments to the charter (for corporate applicants)   |                            |
|  |                                    | Environmental impact assessment report, technical safety report, examination reports, feasibility studies (whenever required), etc., required under the applicable Armenian laws and regulations and/or the bank’s bylaws and regulations (if the company’s activity is associated with high environmental risks)  |                            |
|  |                                    | Other documents as the bank's specialist may request   |                            |
|  | Other fees payable by client       | 1. Fee for the unified statement from the State Committee of the Real Estate Cadaster adjunct to the RA Government; fee for police reference on vehicles encumbrance<br>2. Notary fee for registration of pledged real estate; fee for state registration of the bank’s security interest under the real estate pledge agreement; Fee for the certificate of registration of the security interest in the vehicle  |                            |
|  | If financed under GAF-MSME program | If the cost of investments is above AMD 80 million, 60% of the energy audit fee is payable by the client.  |                            |
|  | Early repayment                    | 5% of prepaid amount, chargeable if early repayment of the whole or part of loan is made during the first 3 years of loan term<br>If the early repayment fee is not applied, the loan interest rate is increased by 2% (does not apply to loans to agro-processing industry for procurement of agricultural raw materials and loans for purchase of pedigree cattle).<br>In case of loans in the amount of up to AMD 5 million or its equivalent in foreign currency any early repayment fines, fees, increase of rates or any other means affecting the borrower’s condition are not applied. |                            |
|  | Late payment fines and penalties   | The interest rate specified in loan agreement shall continue to be applied to overdue loans.<br>Fine in the amount of 0.13 % of overdue loan/interest for each day beyond terms  |                            |