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Terms and conditions specified in the Guide may be outdated. For more details, please contact
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Information Guide

Overdraft on payment cards secured by property

The overdraft issued through payment cards offers you an opportunity to use money within the limit of revolving credit line opened by the Bank, without adding money to the card account. The maximum amount of the revolving credit that can be borrowed on card is your credit limit.

Overdraft is issued by debit cards, without grace period. Debit cards may be used both for cash and non-cash transactions and have a low cash withdrawal rate both for Ameriabank ATMs and ATMs of other banks (including abroad).

METHOD AND FREQUENCY OF PAYMENTS

Repayment form

Interest accrued on overdraft is repaid on monthly basis and the utilized amounts are repaid at the of the term.

Manner of disbursement

Loan is disbursed in non-cash form by crediting the amount to the card account.

There are no conditions limiting accessibility of loan proceeds.

There are no required charges to be paid by the borrower.

Loan decision

The Bank reviews the loan application and makes a preliminary decision within 2 business days upon receipt of the application. If approved, the final loan decision is made within no more than 8 (eight) business days upon receipt of the complete set of documents. The Bank informs the client about the decision within 1 business day. The loan is issued to the borrower only after execution of security agreements specified in the agreement.

The loan will be disbursed to the borrower within 1 business day upon performance of the following conditions precedent:

- i. security agreements have been signed in accordance with the Armenian laws and regulations, such agreements prepared in form and substance satisfactory to the Bank,
- ii. the collateral has been insured (upon the Bank's request) by an insurance company cooperating with the Bank
- iii. the borrower has fulfilled other conditions of loan issuance.

Once the Bank makes a loan decision, if the client.

- Confirms his/her intention to receive the loan within 45 calendar days after getting loan approval notice, the process moves to the formalization stage.
- If the client takes longer than 45 calendar days upon getting loan approval notice to confirm his/her intention to receive the loan, re-approval is needed.

What may help you to get your loan approved

- Long-standing relationship between the Bank and the client
- Business reputation
- Turnover of your funds through Ameriabank accounts
- Average balance on the accounts with Ameriabank, etc

Why your application might be rejected

- The information (documents and other data) provided by the borrower is not trustworthy or complete.
- The borrower's declared income is not sufficient to repay the obligations.
- The borrower has bad credit history, overdue and/or classified liabilities (including liabilities to third parties).

Loan-to-value (LTV) ratio

The bank can issue a card line of credit to the borrower under the following terms (both debit and credit cards):

Currency	Interest rate	Credit limit /Deposit principal (LTV) Ratio
Same as deposit currency	Deposit rate + 4%	Up to 90%
Other than deposit currency	According to the tariffs for credit lines via cards	Up to 70%

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

We will have the right to charge the amount of any overdue liabilities on credit card to the deposit account through direct debit (without prior consent of the depositor).

Down payment

N/a for this loan facility.

Exchange rate volatilities may affect the installments in case of loans in foreign currencies.

Attention! If you fail to pay the minimum installment, the Bank will charge a fee in the amount of AMD 5,000. For credit cards issued after January 2015 late payment penalties prescribed by the Retail Lending Terms and Conditions will be applicable instead of lump-sum fee.

Attention! No limitations are set on the repayment of the loan before due date.

Loan type	Overdraft by debit card secured by property		
Who may apply	Citizens and non-citizens of Armenia who are resident in Armenia and are aged 18-65		
Loan purpose	Payments		
Currency	AMD	USD	EUR
Manner of disbursement	Loan is disbursed in non-cash form by crediting the amount to the card account.		
Maximum amount of total unsecured liabilities (including liabilities to other banks and credit organizations)	<p>8x income. Where documented income is received through Ameriabank or where income is registered in Nork Informational and Analytical Center: maximum AMD 10 million</p> <p>Where documented income is received through other channels than Ameriabank: maximum AMD 6 million</p> <p>Where there has been balance on accounts with Ameriabank within the most recent 6 months: maximum AMD 6 million</p>		
Loan term	<p>Indefinite term (until requested back)*</p> <p>*Until loan cancellation by the Bank, which may occur in accordance with the agreement, based on the results of the monitoring by the bank</p>		
Credit limit**	<p>8x income. Where documented income is received through Ameriabank or where income is registered in Nork Informational and Analytical Center: maximum AMD 10 million</p> <p>Maximum credit limit is 4x your income.</p> <p>Where documented income is received through other channels than Ameriabank: maximum AMD 3 million</p> <p>No guarantee required, if maximum credit limit is 3x income</p> <p>Where there has been balance on accounts with Ameriabank within the most recent 6 months: the lesser of average 6-month balance and average balance of the last month, up to AMD 3 million</p> <p>Maximum credit limit is 3x balance.</p> <p>Average account balance should be at least AMD 100,000. Applicable to those clients who have had accounts with Ameriabank for at least 3 months; where there are deposits, the deposit amount is counted only once.</p>		

Card type	Annual interest rate	Minimum and maximum credit limits	Annual service fee	Card and card package service fee	Increase of credit limit of card
Arca Classic, Ayo Visa Classic Cirrus Maestro Visa Electron	17.5% 14.5% 12.5%	AMD 1,000,000 USD 3,000 EUR 3,000	AMD 5,000 annually; AMD 2,500 if ordered by Internet/Mobile Banking system	-	AMD 1,500
MasterCard Standard/ VISA Classic	17.5% 14.5% 12.5%	AMD 100,000 - AMD 1,500,000 USD 3,000 - USD 5,000 EUR 3,000 - EUR 5,000	AMD 5,000 annually; AMD 2,500 if ordered by Internet/Mobile Banking system	-	AMD 3,000
Master Card Gold/ VISA Gold/	16.5% 13.5% 11.5%	1,500,000-7,500,000 դրամ 5,000-15,000 ԱՄՆ դոլար EUR 5,000 - EUR 15,000	AMD 2,000 monthly/ AMD 20,000 annually; AMD 10,000 annually if ordered by Internet/Mobile Banking	AMD 3,000 monthly/ AMD 30,000 annually	AMD 5,000
Master Card Platinum/VISA Platinum	16.5% 13.5% 11.5%	AMD 5,000,000 - AMD 50,000,000 USD 15,000 - USD 50,000 EUR 15,000 - EUR 100,000	AMD 3,000 monthly/ AMD 30,000 annually; AMD 20,000 annually if ordered by Internet/Mobile Banking	AMD 3,000 monthly/ AMD 30,000 annually	AMD 5,000

Annual percentage rate (APR)	AMD	17.87-23.89%
	USD	14.43-18.15%
	EUR	12.19-15.35%
Frequency of payments	Monthly	
Grace period	Up to 51 days	
Interest calculation	<p>If the client repays the whole amount utilized in one month during the grace period, no interest accrues.</p> <p>If the client does not make repayment, utilized amounts bear interest starting from the first day withdrawn. The same interest accrues to amounts utilized after that and is payable on monthly basis.</p>	
Eligible collateral	Real estate, vehicles, plant and equipment to the reasonable satisfaction of the bank, metal accounts in gold, cash and bonds issued by Ameriabank	

Maximum loan-to-value (LTV) ratio (if the loan is secured by real estate, vehicles or plant and equipment, calculation is based on their liquidation value)	<p>The value of the loan security will be included in the estimation of the LTV ratio in an amount not more than:</p> <ol style="list-style-type: none"> 1. Real estate: 70% if located within Yerevan, 60% if located outside Yerevan 2. Vehicles: 60% 3. Plant and equipment: 40%, but not more than 30% of the value of the aggregate pledge 4. Metal accounts in gold with Ameriabank: 80% 5. If the loan is secured by cash/bonds issued by Ameriabank: <ul style="list-style-type: none"> -90% if currency of the collateral is the same as of the loan -70% if currencies of the collateral and the loan are different
Property appraisal	Pledged assets to be appraised by an appraising partner of the bank.
Insurance of property	<p>The insurance of real estate, vehicles and plant and equipment is maintained throughout the loan term:</p> <ol style="list-style-type: none"> 1. If obtained by client: to the extent of at least outstanding principal 2. If obtained by the bank: to the extent of outstanding principal
Other fees payable by client	<p>Fee for unified statement from the State Committee of Real Estate Cadaster under the Government of the Republic of Armenia</p> <p>Fee for pledge notarization and registration of the bank's security interest with state authorities</p> <p>Fee for statement, issued by the Police, on the encumbrance of the vehicle</p>
Early repayment	5% of prepaid amount, chargeable if the loan is prepaid, whether in whole or in part, during the first 3 years of the loan term. Applicable to full prepayment of credit limits exceeding AMD 15 million. Not applicable to loans secured by cash or bonds.
Minimum payment required	<p>3% of utilized amount shown in the account statement or AMD 5,000, USD 10, EUR 10, whichever is greater, plus interest accrued*</p> <p>*Not applicable to loans secured by cash or bonds and credit cards provided to Premium and Partner clients.</p>
Security	The Bank may request guarantee of individuals and/or companies as security.
Guarantee	Guarantors' documented income should comprise at least 50% of the borrower's income, and their credit history should meet the criteria set by the Bank.

Late payment fines and penalties	Fine in the amount of 0.13 % of overdue loan/interest for each day of delay The interest rate specified in the loan agreement will continue to be applied to overdue loans.
Loan formalization venue	Bank

Other terms related to the interest rate

- Where insurance of the collateral is obtained by the Bank at the wish of the client, the rate of interest is increased by the following premium set by the Bank:
 - 2.5% if the pledge is vehicle, or
 - 0.5% if the pledge is plant and equipment.
- 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 the collateral related ratios (loan-to-value ratio) differ from those approved by the internal regulations of the Bank, the applicable interest rate is increased by 0.25%.
- If the creditworthiness ratios differ from the ratios approved by the internal regulations of the Bank, the applicable interest rate is increased by 0.25%.
- In case of other deviations, the interest rate may be increased by +0.5%.
- Where the client chooses a repayment option without early repayment fee for loans exceeding 15 million AMD, the interest rate is increased by 2% (not applicable to loans secured by cash/bonds).
- The annual percentage rate (APR) may differ from the above specified values if there is any or a few of the following factors:
 - If the insurance of the property is obtained by the Bank at the client's wish
 - When the borrower selects differentiated or mixed form of loan repayment
 - If there are deviations from the creditworthiness criteria approved under the internal regulations of the Bank
 - If there is another property pledged
 - If there are other deviations

Location of real estate to be pledged: capital cities and regional centers of Armenia and Artsakh, as well as the towns of Abovyan, Ejmiatsin, Jrvezh, Arinj, Dzoraghbyur, Tsaghkadzor, Dilijan, Kajaran and Jermuk

Max 12 years for foreign brand vehicles other than vehicles made in Russia, China and Iran, in which case max age is 8 years

Property appraisal

The real estate or movable property to be pledged should be appraised by an appraisal company cooperating with the bank. The company is selected by the client from the offered list. Appraisal fee: AMD 13,000-30,000 depending on the property. On a case-by-case basis, the fee for appraisal of major items of property may be negotiable.

In addition, the client will pay for the following services:

- Notary fee: AMD 14,000-16,000 lump-sum (in case of vehicles)
- Notary fee: AMD 13,000-18,000 lump-sum (in case of real estate)
- Fee for unified statement from the State Real Estate Cadaster on encumbrance of property: AMD 10,000
- Security interest filing fee: AMD 26,000
- Fee of the Police of the Republic of Armenia (for lien and pledge of movable property): AMD 5,000 lump sum

Insurance Companies Cooperating with Ameriabank

Insurance Company	Address	Phone:
Nairi Insurance ILLC	10 V. Sargsyan St., off. 110 (Piazza Grande Business Center), Yerevan	(+37460) 500060
ROSGOSSTRAKH-ARMENIA ICJSC	1 Northern Ave., Yerevan	(+37410) 591010
Ingo Armenia CJSC	51, 53 Hanrapetutyan St., area 47, 48, 50, Yerevan	(+37410) 592121
Reso ICJSC	62 Komitas Ave., area 93-93/1, Yerevan	(+37460) 275757

- Insurance fee is as follows:
 - For real estate: 0.15-0.2 percent of the loan amount,
 - For equipment: 0.2-0.35 percent of the loan amount,
 - For working assets: 0.3-0.5 percent of the loan amount,
 - For vehicles: starting from 2.5 percent of the loan amount.

These fees and rates may change depending on the market situation.

Appraisal Companies Cooperating with Ameriabank

Appraisal Company	Address	Phone:
VM-RP LLC	8 Vardanants deadlock, #3, Yerevan	+374 10 588797 +374 43 588797 +374 99 588797
Amintas Group LLC	23/6 Artsakh Ave., off. 50 (close to Toon Depot), Yerevan	+374 10 432276 +374 94 432276 +374 96 432276
Cost Consult LLC	1 Buzand St., Yerevan	+374 77 471925 +374 91 471925
Believe LLC	9-14 Mashtots Ave., Yerevan	+374 94 221111
Finlaw LLC	50 Nalbandyan St., apt. 3, Yerevan	+374 10 506000 +374 60 747400 +374 91 911155 +374 77 780510
For Smart Consult LLC	30/3/128 Gyulbenkyan St., Yerevan	+374 11 277667 +374 91 177667 +374 98 177667 +374 41 177667
Inex LLC	45/403 Orbeli Yeghbayrner St., Yerevan	+374 77 518116 +374 77 518115 +374 41 042287

Required documents

Required documents filed together with the loan application	<ul style="list-style-type: none">• Loan application• ID (original)• Certificate of ownership of property to be purchased/pledged (copy)
Documents required after initial approval	<ul style="list-style-type: none">• Proof of employment and/or other income• Marriage (divorce, spouse death), birth certificate (original)• Certificates of registration and ownership certificates of vehicles to be pledged (original)• Certificate of title to real estate to be pledged (original)• Geodetic measurement report of land plot to be pledged• Initial report on appraisal of real estate/vehicle• Other documents as the bank's specialist may request
Documents required after loan approval	<ul style="list-style-type: none">• Copies of bases of title to real estate (to be submitted upon request)• IDs of owners of property to be purchased/pledged (originals)• Copies of marriage (divorce, spouse death) certificates of owners of property to be pledged• 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• Real estate appraisal report (final)• Real estate/vehicle insurance policy• Other documents as the bank's specialist may request

Loan service fee

Purpose	AMD
Modification of the loan terms	15,000
Change of the loan repayment date	5,000
Substitution of pledged property (for real estate; including change of the property owner)	10,000
Substitution of pledged property (for vehicles; including change of the owner of the pledged vehicles)	5,000
Provision of pledge-related consents, permissions and references	5,000 (VAT included)

The fee is charged if the modification is requested by the client. Where there are several applicable fees for the same modification, the highest fee is charged and only once. Fees are not applicable in case of loans secured by cash, bonds and metal accounts. If the modification implies adding new collateral or involving a new guarantor, no fee is charged.

Information for the Guarantor

If the Borrower fails to meet his/her loan obligations in a proper manner, the guarantor will take on responsibility of the debt and will have to repay the outstanding loan.

The guarantor is entitled to receive reimbursement from the borrower for the repaid debt, i.e. the guarantor may request the borrower to reimburse the amount paid to the lender, the interest and other expenses incurred as a result of taking responsibility instead of the borrower.

The lender must warn the guarantor in advance about pending loan repayment, i.e., if the borrower fails to meet his/her obligations in due manner, the guarantor is required to repay the outstanding debt within the period defined in the guarantee agreement after getting the respective notice from the lender.

The guarantor's name may appear in the BAD BORROWER LIST, i.e., if the borrower doesn't repay his/her obligations, the guarantor's name may be reported to the Credit Bureau, where the credit history is originated. This may affect the guarantor's future loan applications.

Statements

We will provide to you the statements of your credit accounts through communication channels and at frequency agreed between you and us and/or in accordance with the Armenian laws and regulations. The statements are provided by post, email, Internet-Bank or in person at any branch of the Bank.

Provision of statements, information and copies of documents	Rates & Fees
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Provision of up to 1 year-old account statements, copies of account statements or other documents kept in electronic form	Free
Provision of more than 1 year-old account statements or copies of account statements or provision of other documents kept in electronic form ⁷	AMD 5,000 per annual statement per account, VAT included
Delivery of any statement to the client by email without stamp	Free
Provision of references	
To holders of 3 or more months old accounts	AMD 3,000, VAT included
To holders of less than 3 months old accounts	AMD 5,000, VAT included
If ordered via Internet/Mobile Banking or Ameriabank website	AMD 1,000, VAT included

Attention!

WHEN YOU APPLY FOR A LOAN, WE WILL PROVIDE YOU AN INDIVIDUAL LEAFLET DETAILING ALL ESSENTIAL TERMS OF YOUR CONSUMER LOAN.

Attention!

THE LOAN INTEREST RATE MAY NOT EXCEED THE DOUBLE OF THE BANK RATE DECLARED BY THE CENTRAL BANK OF ARMENIA.

Attention!

LOAN INTEREST IS CALCULATED AT THE NOMINAL INTEREST RATE. THE LATTER SHOWS THE ANNUAL INTEREST ACCRUED AS PERCENTAGE OF THE OUTSTANDING LOAN. THE LOAN INTEREST IS ACCRUED ON THE OUTSTANDING LOAN PRINCIPAL IN THE LOAN CURRENCY DAILY, BASED ON A 365-DAY CALENDAR YEAR.

ANNUAL PERCENTAGE RATE SHOWS THE COST OF LOAN IN CASE OF PROPER AND TIMELY PERFORMANCE OF ALL CONTRACTUAL OBLIGATIONS.

Interest Accrual

In case of differentiated repayment method, the amount of monthly loan payment is calculated according to the following formula:

$R = p / t + p * r \% / 365 * d$, where

R – monthly repayment of the loan,

p – amount of loan principal,

t – loan term (in months),

r – annual interest rate of the loan,

d – number of days in a month.

In case of annuity, the amount of monthly payment is calculated according to the following formula: $R = P * r / (1 - 1/(1+r)^n)$, where

R – monthly repayment for the loan P – loan principal

n – total number of payments during the whole term of loan (number of months)

r – monthly interest rate, which is equal to 1/12 of the annual interest rate under the loan agreement at the time of provision of the loan

The amount of monthly payments is rounded to one decimal place.

The outstanding loan is calculated according to the following formula: $P_t = R * ((1 - 1/(1+r)^n) / r)$, where

P_t – actual Loan outstanding by the end of the period

R – monthly repayment for the loan

t – number of repayments due before the end of the loan term (number of months)

r – monthly interest rate, which is equal to 1/12 of the annual interest rate under the loan agreement at the time of provision of the loan

APR is calculated by the following formula:

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

where

i – annual percentage rate (APR).

A – the amount of the credit (initial amount provided by the lender to the borrower)

n – sequence number of payment

N – sequence number of the last payment

K_n – amount of the nth payment

D_n – period between the day of provision of loan and the day of the n^{th} payment, expressed in days

i – annual percentage rate, calculable if other input data are known from loan agreement or otherwise

APR Calculation Example

Loan product: consumer loan secured by property

Amount: AMD 15,000,000

Fixed interest rate: 17%

Term: 60 months

Repayment method: annuity (equal installments consisting of a portion of loan and some interest)

Lump sum disbursement fee: AMD 75,000
Insurance fee: 0.16% of the outstanding loan principal each year

Real estate appraisal fee: AMD 15,000
Fee for the unified statement on real estate encumbrance: AMD 10,300

Pledge agreement notarization fee: AMD 13,000
Security interest filing fee: AMD 26,000

Loan disbursement day: September 16, 2014
First payment day: October 11, 2014
Annual percentage rate (APR): 19.14 %

The annual percentage rate is calculated on the basis of the underlying components, is indicative and can change during the Agreement term due to early repayment of loan by the borrower or change of the components included in its calculation.

Interest calculation example

Initial loan principal: AMD 1,000,000
Annual interest rate: 20%
Term: 36 months
Daily interest will make: $1,000,000 * 20 / 100 / 365 = 548$ AMD
The amount of monthly payments in case of annuity: AMD 37,163.6.

Attention!

THE COLLATERAL MAY BE ENFORCED (FORECLOSED ON) IF THE BORROWER FAILS TO REPAY THE LOAN AND INTEREST WHEN DUE. SHOULD THE VALUE OF THE COLLATERAL BE INSUFFICIENT, THE BORROWER'S OBLIGATIONS WILL BE REPAID AT THE EXPENSE OF OTHER PROPERTY OWNED BY THE BORROWER.

Attention!

IF YOU FAIL TO PERFORM YOUR PAYMENT OBLIGATIONS WHEN DUE OR DO NOT PERFORM THEM PROPERLY, OVERDUE AMOUNTS SHALL BEAR FINES AND PENALTIES AS DEFINED BY AGREEMENT, AND THE INFORMATION ABOUT YOUR OVERDUE LIABILITIES WILL BE REPORTED TO CREDIT BUREAU WITHIN 3 BUSINESS DAYS. YOU HAVE THE RIGHT TO OBTAIN YOUR CREDIT HISTORY FROM THE CREDIT BUREAU ONCE A YEAR, AT NO COST.

Overdue liabilities are paid in the following succession:

1. Fines and penalties
2. Interest
3. Principal

YOUR BAD CREDIT HISTORY MAY AFFECT YOUR FUTURE LOAN APPLICATIONS.

Attention!

In case of loans in foreign currency, any change of the exchange rates may affect loan payments,

while the annual percentage rate may change depending on the exchange rate published by the Central Bank of Armenia on its official page. Definition of the annual percentage rate is based on the exchange rate published on the official website of the Central Bank of Armenia on the day of the agreement execution or the preceding business day.

Early repayment

In case of consumer loans, car loans, line of credit or overdraft the client has the right to repay the liabilities before the due date irrespective of whether or not such provision is included in the loan agreement.

Change of interest rates

The bank is entitled to change the interest rates depending on the volatility of interest rates on funds borrowed and/or allocated by the bank on financial market, and/or occurrence of preconditions for change of annual interest rate applied to the loan. The Bank shall inform the borrower of any change in the nominal interest rate made at the sole discretion of the Bank in advance, within the term specified in the agreement (at least 7 days in advance), via the channels specified in the agreement, which shall serve as a basis for applying the new terms from the date specified in the notice. If the borrower doesn't consent to the new interest rate, the borrower may terminate the respective agreement before the maturity date, repaying the obligations to the Bank under such agreement in full.

Consumers are allowed to cancel the credit agreement at their own discretion, for no particular reason, within 7 business days following its execution unless a longer period is stipulated therein (cooling-off period). In such cases, consumers are required to pay the interest accrued at the effective annual rate under the credit agreement. The consumer will not be required to pay any other reimbursement in relation to the cancellation of the credit agreement.