

 AMERIABANK		AMERIABANK CJSC		11RBD PL 72-03-01		
Retail Lending Terms and Conditions				Edition 53		
				Effective date: July 20, 2022		
5.1 Consumer loans secured by assets (including paper gold and cash)						
Purpose	Purpose	(i) Personal/family/consumer expenses or (ii) transfer of a personal/family/consumer loan from another bank/credit organization to Ameriabank				
Client's personal details	Eligible age of client/co-borrower/guarantor	18-65 years old, provided that the borrower's age at the time of expiry of loan agreement will not have exceeded 65, otherwise a co-borrower or guarantor is required. The eligible age of co-borrower or guarantor is 18-65 provided that at the time of expiry of agreement it will not have exceeded 65. If involvement of a co-borrower or guarantor is a required condition under loan terms (except where co-borrowers or guarantors possess at least 70% of income included in OTI calculation), the eligible age is 18-65 provided that at the time of expiry of agreement it will not have exceeded 65.				
	Residency	Citizens and non-citizens of Armenia who are resident in Armenia				
Creditworthiness assessment*	Total loan obligations to total income (OTI)	If monthly income is below AMD 400,000	If monthly income is AMD 400,000-800,000	If monthly income is above AMD 800,000		
		50%	55%	60%		
	Difference between total income and liabilities (OSM)	Yerevan: ≥ AMD 70,000 Regions: ≥ AMD 45,000	Yerevan: ≥ AMD 90,000 Regions: ≥ AMD 70,000	Yerevan: ≥ AMD 120,000 Regions: ≥ AMD 90,000		
Terms of loan	Currency	AMD				
	Minimum and maximum loan limit	AMD 3 million* - AMD 50 million *The minimum threshold for loans secured by deposits, gold and metal accounts is AMD 300,000.				
	Term (months)	36				
	Annual interest rate	Fixed				
		15.5%				
	Term (months)	37 - 60				
	Annual interest rate	Fixed	Adjustable (rate can be changed starting from the 13th month)			
		16.5%	Fixed component 7.5% + variable component (base rate)			
	Term (months)	61-120 (only for loans secured by real estate)				
	Annual interest rate	Adjustable (rate can be changed starting from the 37th month)				
		Fixed component 7.5% + variable component (base rate)				
	Annual percentage rate (APR)***	16.26-21.29%				
	Where the client wishes that insurance of pledge should be obtained by the bank, the rate of interest is increased by: <ul style="list-style-type: none"> • 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 repayment schedule is differentiated or mixed, the applicable interest rate is increased by 0.5%.					
	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%.					

	Other terms related to the interest rate	<p>If the creditworthiness criteria differ from those approved by the internal regulations of the Bank (any or some of the declared income related criteria, OTI and OSM), the applicable interest rate is increased by 0.25%.</p> <p>In case of other deviations, the interest rate may be increased by 0.25%.</p> <p>If the loan is secured by cash or bonds issued by Ameriabank, the interest rate is: - % of deposit/bond + 4%, but in any case not more than the rates specified above, if the loan and the collateral are in the same currency - Rates specified above, if the loan and the collateral are in different currencies</p> <p>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).</p>
	Loan disbursement upfront fee	<p>0.5% of loan amount or AMD 50,000, whichever is greater *Not applicable to loans secured by cash, bonds issued by Ameriabank or metal accounts</p>
	Cashing of loan by borrower	Free
Forms of loan repayment	Repayment	<p>Annuity (equal monthly installments consisting of a portion of loan and a portion of interest)</p>
		<p>Differentiated (monthly repayment of equal portions of principal amount while interest accrues to outstanding loan and decreases each month)</p>
		<p>Mixed (client may choose an individual repayment schedule based on seasonality of cash flows, provided that at least 20% of contractual loan amount is repaid each year; interest payable on monthly basis)</p>
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
	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 shall 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 in Yerevan, 60% if outside Yerevan 2. Vehicles: 60% 3. Property and equipment: 40%, but not more than 30% of the value of aggregate pledge 4. Metal accounts in gold with Ameriabank: 80% 5. Cash collateral/bonds issued by Ameriabank: -90% if currency of the collateral is the same as of the loan -70% if currencies of the collateral and the loan are different
	Location of real estate to be pledged	Capital cities and regional centers of Armenia and Artsakh, as well as the towns of Abovyan, Etchmiadzin, Jrvezh, Arinj, Dzoraghbyur, Tsaghkadzor, Dilijan, Qajaran and Jermuk
	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
	Property appraisal	Vehicles to be appraised by an appraising partner of the bank.
		Pledged property to be appraised by an appraising partner of the bank.
	Additional security	The bank may request guarantee of individuals and/or companies as additional security.
Insurance of pledged 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 the client: at least to the extent of outstanding principal 2. If obtained by the bank: to the extent of outstanding principal <p>The bank does not obtain insurance for the following vehicles:</p> <ul style="list-style-type: none"> • Vehicles transporting hazardous materials (toxic substances, chemicals, radioactive and explosive materials) • Vehicles to be used in races, test drives; vehicles which have three wheels, snow removers, motorcycles, special purpose vehicles • Taxis and rental cars 	
	Early repayment fee	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 for loans exceeding AMD 15 million (not applicable to loans secured by cash/bonds)

Required documents	Required documents	Required documents filed together with loan application
		• Loan application
		• ID [original]
		• Certificate of ownership of property to be purchased/pledged [copy]
		Documents required after initial approval
		• 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
		Documents required after loan approval
		• 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		
Late payment fines and penalties	The interest rate specified in the loan agreement shall continue to be applied to overdue loans. Fine in the amount of 0.13 % of overdue loan/interest for each day beyond terms	
Other fees	Other fees payable by client	<ul style="list-style-type: none"> • Fee for unified statement from the State Committee of Real Estate Cadaster of the Government of the Republic of Armenia • Fees for notarization of pledge (real estate or vehicle) and filing of the bank's security interest under pledge agreement • Fee for statement from the Police on encumbrance of vehicle

*OTI is calculated as the ratio of all credit obligations of the borrower, co-borrower and their family members to total net income.

OTI calculation includes:

- Borrower's net income, or
- Borrower's and co-borrower's net income, or
- Net income of the borrower, co-borrower and their family members.

OSM is calculated as the difference between the income and credit obligations included in OTI calculation minus spendings of the borrower/co-borrower and their family members.

Depending on income, expenses per family members are calculated as follows:

1. If the income is below AMD 400,000, estimated expense per family member is AMD 70,000 if in Yerevan, and AMD 45,000 if in regions.
2. If the income is from AMD 400,000 to AMD 800,000, estimated expense per family member is AMD 90,000 if in Yerevan, and AMD 70,000 if in regions.
3. If the income is above AMD 800,000, estimated expense per family member is AMD 120,000 if in Yerevan, and AMD 90,000 if in regions.

Note that persons owning at least 70% of income included in OTI calculation should be co-borrowers or guarantors.

OTI/OSM calculation includes the highest applicable amounts of monthly loan payments.

***The annual percentage rate (APR) may differ from the above specified values if there is any or a few of the following factors:

- When the property insurance is obtained by the Bank at the customer's request
- 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 additional property is pledged as collateral
- If there are other deviations

Lines of credit and gold-secured loans are included in calculation of monthly liabilities to the extent of 5% of credit limit/outstanding loan.

****Geodetic measurement is required for any land other than fenced plots or grounds attached to house, if:

- Client has applied for a loan above AMD 50 million, and
- Share of credit limit to be secured by such land plot exceeds 30% of total available credit limit. For the purposes of this document total available credit limit means the sum of all loan proceeds made available to client by decision of the bank's authorized body within acceptable LTV ratio and subject to disbursement at the given moment.