

 AMERIABANK		AMERIABANK CJSC	11RBD PL 72-03-01
Retail Lending Terms and Conditions		Edition 55	
		Effective date: August 24, 2022	
5.2 Consumer loan not secured by property***			
Purpose	Purpose	Personal/family/consumer expenses	
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)	60%	
	Maximum amount of total unsecured liabilities (including liabilities to other banks and credit organizations)	8x income. Where documented income is received through Ameriabank or where income is registered in Nork Informational and Analytical Center – AMD 10 million. Where documented income is received through other channels than Ameriabank: AMD 6 million. Where there has been balance on accounts with Ameriabank within the most recent 6 months: AMD 6 million.	
Terms of loan**	Currency	AMD	
	Minimum and maximum loan limit	<p>Min 300,000 AMD</p> <p>Where documented income is received through Ameriabank or where income is registered in Nork Informational and Analytical Center: max 10 million AMD:</p> <ul style="list-style-type: none"> • No guarantee required, if maximum credit limit is 6x income • Guarantee by at least 1 individual, if maximum credit limit is 7x income • Guarantees by at least 2 individuals, if maximum credit limit is 8x income <p>Where documented income is received through other channels than Ameriabank: max 3 million AMD</p> <ul style="list-style-type: none"> • No guarantee required, if maximum credit limit is 4x income • Guarantee by at least 1 individual, if maximum credit limit is 5x income • Guarantees by at least 2 individuals, if maximum credit limit is 6x income <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 3 million AMD*</p> <ul style="list-style-type: none"> • No guarantee required, if maximum credit limit is 4x income • Guarantee by at least 1 individual, if maximum credit limit is 5x income • Guarantees by at least 2 individuals, if maximum credit limit is 6x income <p>*Average account balance should be at least 100,000 AMD. 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> <p>The clients who have got a home loan from Ameriabank, may get approved for a credit limit without creditworthiness assessment and calculation of the x-fold of the documented income, in the amount not exceeding****:</p> <ul style="list-style-type: none"> AMD 500 thousand if the home loan is up to 10 AMD million AMD 1 million if the home loan is AMD 10-25 million AMD 1.5 million if the home loan is 25-35 million AMD 2 million if the home loan amount is above 35 million 	
	Term (months)	60	
	Annual interest rate	Fixed 20%	
	Other terms related to the interest rate	<p>If repayment schedule is differentiated or mixed, the applicable interest rate is increased by 0.5%.</p> <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>	
Annual percentage rate (APR)	22.2-23.09%		

	Loan disbursement fee	0.5% of loan amount or AMD 20,000 (AMD 5,000 if the loan amount is within 1 million AMD), whichever is greater* *Not applicable in case of online loan applications
	Cashing of loan by borrower	Free
Forms of loan repayment	Repayment	Annuity (equal monthly installments consisting of a portion of loan and a portion of interest)
		Differentiated (monthly repayment of equal portions of principal amount while interest accrues to outstanding loan and decreases each month)
		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)
Security	Guarantee	Guarantors' documented income should comprise at least 50% of the borrower's income, and their credit history should meet the green line criteria.
Required documents	Required documents	Required documents filed together with loan application
		• Loan application
		• ID [original]
		Documents required after initial approval
		• Proof of employment and/or other income
		• 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

*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.

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

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

Lines of credit and gold-secured loans are included in calculation of monthly liabilities to the extent of 5% of credit limit/outstanding loan.
If loan amount is not more than AMD 1.5 million, borrowing capacity ratios are not required.

**Depending on the scale of operations with client and significance of payroll project, other terms and conditions can be defined by Retail Banking Director. Any increase of credit limit should be approved by Security Service and Risk Management Center. If there are disagreements, the decision of the Large Credit Committee is final.

***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

***In case of applications for scoring-based loans or loans to workers of specific industries, other terms can be applied, in particular:

Minimum credit limit: AMD 100,000

Annual interest rate: 13%-21%

APR: 13.79-23.72%

Loan disbursement fee: 1% of the loan amount (max AMD 10,000), applicable if the loan application is submitted at the Bank branches.

****The line of credit is approved by a person authorized to approve home loans. This service is available to the clients who don't have a line of credit.