

**INFORMATION GUIDE  
TO INSTALLMENT LOANS FOR PURCHASE OF GOODS AND SERVICES**

Effective date: March 14, 2022

Terms and conditions specified in the Guide may change from time to time. More details at:

**ameriabank.am | 010 56 11 11**

The Bank is supervised by the Central Bank of Armenia.

**Purpose**

The purpose of installment loans is purchase of goods or services by individuals.

**Essential Terms of Installment Loans for Purchase of Goods.**

Client's personal details	Eligible age	20-65
	Eligible clients	Citizens and non-citizens of Armenia who are resident in Armenia <sup>1</sup>
Terms of finance	Currency of finance	AMD
	Financing limit	50,000-5,000,000
	Term of finance (in months)	6-60
	Nominal annual interest rate	21.5%
	Annual percentage rate (APR)	0%-24%
	Monthly account service fee	N/a
Debt repayment options	Repayment	In case of interest: annuity, equal monthly payments consisting of a portion of loan and a portion of interest Equal monthly installments schedule (equal monthly installments consisting of a portion of debt and a portion of fee) where a fee is applied
Security	Eligible collateral	The purchased item serves as a collateral.
	Maximum "loan to value" ratio	100%

<sup>1</sup> Individuals resident in Armenia (hereinafter referred to as "resident individuals") are those individuals who have been actually resident in the Republic of Armenia for 183 and more days during the tax year (Tax Code, Article 25).

Fee for service, payment of interest and other charges	For payments via wire transfer or Ameriabank devices (payment terminals or ATMs)	0
	For payments via payment terminals or ATMs	According to the tariffs of the relevant company operating the payment terminal or ATM: <a href="https://ameriabank.am/">https://ameriabank.am/</a>
	For cash payments within Ameriabank premises	According to the Bank's tariffs for individuals: <a href="https://ameriabank.am/">https://ameriabank.am</a>
Fines and penalties	Late payment fines and penalties (principal and interest)	In case of failing to make payment when due under the loan agreement, the customer shall be required to pay a penalty in the amount of 0.13% of the overdue loan or interest for each day beyond terms. No fines or penalties are charged in case of repayment before the due date.

#### Essential Terms of Installment Loans for Purchase of Services

Client's personal details	Eligible age	20-65
	Eligible clients	Citizens and non-citizens of Armenia who are resident in Armenia <sup>2</sup>
Terms of finance	Currency of finance	AMD
	Financing limit	50,000-1,500,000
	Term of finance (in months)	6-24
	Nominal annual interest rate	18.5%-21.5%
	Annual percentage rate (APR)	0%-24%
	Monthly account service fee	N/a

<sup>2</sup> Individuals resident in Armenia (hereinafter referred to as "resident individuals") are those individuals who have been actually resident in the Republic of Armenia for 183 and more days during the tax year (Tax Code, Article 25).

Debt repayment options	Repayment	In case of interest: annuity, equal monthly payments consisting of a portion of loan and a portion of interest Equal monthly installments schedule (equal monthly installments consisting of a portion of debt and a portion of fee) where a fee is applied
Security	Eligible collateral	N/a
	Maximum “loan to value” ratio	N/a
Fee for service, payment of interest and other charges	For payments via wire transfer or Ameriabank devices (payment terminals or ATMs)	0
	For payments via other payment terminals and ATMs	According to the tariffs of the relevant company operating the payment terminal or ATM: <a href="https://ameriabank.am/">https://ameriabank.am/</a>
	For cash payments within Ameriabank premises	According to the Bank’s tariffs for individuals: <a href="https://ameriabank.am">https://ameriabank.am</a>
Fines and penalties	Late payment fines and penalties (principal and interest)	In case of failing to make payment when due under the loan agreement, the customer shall be required to pay a penalty in the amount of 0.13% of the overdue loan or interest for each day beyond terms. No fines or penalties are charged in case of repayment before the due date.

### Essential Terms of Installment Loans for Purchase of Solar Panels and Water Heaters

Client's personal details	Eligible age	20-65
	Eligible clients	Citizens and non-citizens of Armenia who are resident in Armenia <sup>3</sup>
Terms of finance	Currency of finance	AMD
	Financing limit	200,000-5,000,000
	Term of finance (in months)	6-108

<sup>3</sup> Individuals resident in Armenia (hereinafter referred to as “resident individuals”) are those individuals who have been actually resident in the Republic of Armenia for 183 and more days during the tax year (Tax Code, Article 25).

	Nominal annual interest rate	9.5%-15.5%
	Annual percentage rate (APR)	0%-17%
	Monthly account service fee	N/a
Debt repayment options	Repayment	In case of interest: annuity, equal monthly payments consisting of a portion of loan and a portion of interest Equal monthly installments schedule (equal monthly installments consisting of a portion of debt and a portion of fee) where a fee is applied
Security	Eligible collateral	The purchased item serves as a collateral.
	Maximum "loan to value" ratio	100%
Fee for service, payment of interest and other charges	For payments via wire transfer or Ameriabank devices (payment terminals or ATMs)	0
	For payments via other payment terminals and ATMs	According to the tariffs of the relevant company operating the payment terminal or ATM: <a href="https://ameriabank.am/">https://ameriabank.am/</a>
	For cash payments within Ameriabank premises	According to the Bank's tariffs for individuals: <a href="https://ameriabank.am/">https://ameriabank.am/</a>
Fines and penalties	Late payment fines and penalties (principal and interest)	In case of breach of the due date under the agreement, the Client will be required to pay a penalty in the amount of 0.13% of overdue loan or interest for each day beyond terms.  No fines or penalties are charged in case of repayment before the due date.

### Service Fee

Purpose	Rates & Fees
Modification of finance terms	AMD 15,000
Change of the repayment date	AMD 5,000

The fee is charged if the modification is requested by the client. Where several fees are chargeable for the same modification, the highest fee is charged and only once.

### Required documents

Documents required for installment loan application	Personal identification documents (originals): a non-biometric passport, biometric passport, identification card, personal public services number of Armenia Other documents as necessary or appropriate
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### 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 can be provided by mail, email, Internet-Bank or in person in any branch office of the Bank.

#### Attention!

ELECTRONIC CHANNELS ARE THE MOST CONVENIENT WAY TO GET INFORMATION. THEY ARE AVAILABLE 24/7, FREE FROM THE RISK OF LOSS OF INFORMATION STORED ON PAPER AND MORE CONFIDENTIAL.

Provision of statements, information and copies of documents	Rates & Fees
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	AMD 5,000 per annual statement per account, VAT included
Provision of copies of documents kept in paper or backdated more than 1 year and kept in electronic form	AMD 5,000 per document, VAT included
Provision of references	
To holders of 3+ months old accounts	AMD 3,000, VAT included
To holders of less than 3 months old accounts	AMD 5,000, VAT included

#### Attention!

WHEN YOU APPLY FOR FINANCE, THE BANK PROVIDES TO YOU A PERSONAL LEAFLET ON ESSENTIAL TERMS OF CONSUMER CREDIT CONTAINING THE INDIVIDUAL CREDIT TERMS OFFERED TO YOU.

#### Attention!

THE INTEREST RATE ON YOUR CREDIT CANNOT EXCEED THE DOUBLE OF THE BANK RATE ANNOUNCED 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 CREDIT. INTEREST IS CALCULATED IN THE CURRENCY OF THE LOAN ON A DAILY BASIS IN RELATION TO THE LOAN OUTSTANDING AT EACH PARTICULAR TIME. BASED ON A 365-DAY CALENDAR YEAR.

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

**APR is calculated by the following formula:**

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

The amount of interest is determined based on nominal annual interest rate and chosen credit repayment option.

**Credit and interest payments are performed based on annuity scheme where the amount of monthly payment is calculated as follows:**

**R = P x r / (1 - 1/(1 + r)<sup>n</sup>)**, 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

- Annuity

**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.



### Early repayment

In case of installment loans, you can perform your credit obligations before the due date irrespective of whether or not such option is envisaged under your credit agreement.

### Change of interest rates

THE BANK HAS THE RIGHT TO

CHANGE THE INTEREST RATES AT ANY TIME DEPENDING ON 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 OF YOUR CREDIT. IN CASE OF UNILATERAL CHANGE OF NOMINAL INTEREST RATE THE BANK SHALL INFORM YOU IN THE MANNER DEFINED UNDER YOUR CREDIT AGREEMENT (AT LEAST 7 DAYS IN ADVANCE). SUCH NOTICE WILL BE DELIVERED VIA THE PREFERRED COMMUNICATION CHANNEL SPECIFIED IN THE CREDIT AGREEMENT AND SERVE AS BASIS FOR APPLICATION OF THE NEW INTEREST RATE FROM THE DATE SPECIFIED THEREIN. IF NOT CONSENTING TO THE NEW INTEREST RATE, YOU CAN TERMINATE THE RESPECTIVE AGREEMENT OR COVENANT IN WHICH CASE YOU WILL BE REQUIRED TO PERFORM YOUR LIABILITIES UNDER SUCH AGREEMENT OR COVENANT AS OF THE DATE OF TERMINATION TO THE FULL EXTENT.

YOU CAN TERMINATE YOUR CREDIT AGREEMENT WITHOUT HAVING TO PROVIDE EXPLANATION ANY TIME WITHIN 7 DAYS AFTER EXECUTION, UNLESS A LONGER PERIOD IS ENVISAGED UNDER THE CREDIT AGREEMENT (COOLING-OFF PERIOD). THIS BEING THE CASE, YOU WILL BE REQUIRED TO PAY INTEREST AT THE ACTUAL ANNUAL PERCENTAGE RATE SPECIFIED UNDER YOUR CREDIT AGREEMENT.

NO OTHER COMPENSATION FOR TERMINATION OF CREDIT AGREEMENT CAN BE DEMANDED FROM THE BORROWER.

### What may help you to get your application approved

- Long-standing relationship between the Bank and the client
- Amount of your income
- Good credit history
- Other

### Why your application might be rejected

- The information (documents and other data) provided by you is not trustworthy or complete.
- Your declared income is not sufficient to repay the obligations.
- You have bad credit history, overdue and/or classified liabilities (including liabilities to third parties).
- Other



## Loan decision

You need not visit the Bank to get an installment loan. All you have to do is approach our partner selling the item you want to purchase. The financing process is automated. Your application is processed and reviewed by an automated software based on your credit score.

If your application is approved and you:

- Confirm your intention to get the credit within 7 calendar days after you are notified, you get the credit.

**YOU HAVE THE RIGHT TO CONTACT OR MAINTAIN CORRESPONDENCE WITH THE FINANCIAL INSTITUTION VIA YOUR PREFERRED CHANNEL: REGULAR MAIL OR ELECTRONIC CHANNELS. ELECTRONIC CHANNELS ARE THE MOST CONVENIENT WAY TO GET INFORMATION. THEY ARE AVAILABLE 24/7, FREE FROM THE RISK OF LOSS OF INFORMATION STORED ON PAPER AND MORE CONFIDENTIAL.**