



RETAIL SME LENDING TERMS

Edition 48

Effective date: November 1, 2021

3. Retail SME loan/overdraft partially secured by assets

Loan type	Retail SME loan/overdraft partially secured by assets		
Purpose ¹	Business expansion; financing of current operations and other investments; transfer of outstanding business loans with other banks and credit organizations to Ameriabank CJSC		
Clients	Legal entities and individual entrepreneurs with at least 6-month business history		
Sectoral restrictions	According to the Exclusion List		
Creditworthiness assessment	According to the approved criteria		
Currency	AMD	USD	EUR
Minimum and maximum loan limit	AMD 3 million - 30 million or its equivalent in other currency		
Term (months)	12 months		
Annual interest rate (fixed) on loans	12.0% (APR: 16.7% 15.3%-15.8%)	9.0% (APR: 13.3% 11.9%-12.4%)	7.5% (APR: 11.6% 10.3%-10.7%)
Annual interest rate (fixed) on overdrafts	13.0% (APR: 17.9% 15.3%-15.5%)	10.0% (APR: 14.4% 11.9%-12.1%)	8.5% (APR: 12.7% 10.2%-10.4%)
Term (months)	36 months		
Annual interest rate (fixed) on loans	13.0% (APR: 16.1% 14.8%-14.9%)	10.0% (APR: 12.7% 11.4%-11.5%)	8.5% (APR: 11.0% 9.7%-9.9%)
Annual interest rate (fixed) on overdrafts	14.0% (APR: 17.0% 15.5%-15.6%)	11.0% (APR: 13.5% 12.1%-12.2%)	9.5% (APR: 11.8% 10.4%-10.5%)
Term (months)	60 months		
Annual interest rate (fixed) on loans	14.0% (APR: 16.8% 15.6%-15.7%)	11.0% (APR: 13.4% 12.2%-12.3%)	9.5% (APR: 11.7% 10.5%-10.6%)
Annual interest rate (fixed) on overdrafts	15.0% (APR: 17.8% 16.5%)	12.0% (APR: 14.4% 13.0%-13.1%)	10.5% (APR: 12.7% 11.4%)
Annual interest rate on non-utilized overdraft amounts	2%		
Other terms related to the interest rate	<p>If the loan is secured by cash or bonds issued by Ameriabank, the interest rate is:</p> <ul style="list-style-type: none"> - 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 - Rates specified above, if the loan and the collateral are in different currencies <p>Where insurance of the collateral is obtained by the bank at the wish of the client, the rate of interest is increased pro rata the share of each type of the collateral in the total value of the collateral by:</p> <ul style="list-style-type: none"> • 2.5% if the collateral is vehicle, or • 0.5% if the collateral is plant and equipment. <p>Where the insurance of real estate is obtained by the client, the interest rate will be reduced by 0.05%, based on the share of each type of assets in the total collateral.</p>		
Loan disbursement fee	1% of the loan amount		
Loan cashing	Non-applicable to loans According to effective tariffs of the Bank for overdrafts		
Repayment	SME loans: annuity (equal loan installments consisting of a portion of loan and a portion of interest; payable on monthly basis) SME overdraft: repayment of principal at maturity		
Eligible security	The loan may be secured by real estate or vehicles satisfactory to the Bank.		
LTV ratio (based on the liquidation value)	<p>The value of the loan security is included in the estimation of the LTV ratio in an amount not more than:</p> <ol style="list-style-type: none"> 1. Up to 100% if the loan is secured by real estate 2. 50% if the loan is secured by vehicles <p>While calculating the LTV ratio, the loan value is considered to be equal to the sum of (i) that portion of the requested loan that is above AMD 10 million, and (ii) outstanding unsecured credit obligations of the client. Furthermore, if the client's outstanding unsecured credit obligations are above AMD 10 million, the LTV ratio is calculated only in relation to the requested amount, in full.</p>		
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/Artsakh		
Property appraisal	Pledged assets to be appraised by an appraising partner of the bank.		
Additional security	<ol style="list-style-type: none"> 1. Pledge of cash flows through the account 2. Individual guarantees by founders and beneficial owners of businesses are a required condition. The Bank may request guarantees by other individuals and/or companies as additional security. 		
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"> 1. If by the Client: at least for the amount of the outstanding principal/credit limit 2. If obtained by the Bank: to the extent of the outstanding principal/credit limit. <p>The following vehicles are not subject to insurance:</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 		
Modification of the loan terms	AMD 25,000		

		AMERIABANK CJSC	11RBD PL 72-03-02
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Loan service fees ²	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	
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 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		
	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 In case of early repayment of the loan, whether in full or in part, the fee will not be charged if such loan is prepaid out of the loan proceeds provided by Ameriabank CJSC to the borrower for that particular purpose. 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. Not applicable in case of overdrafts	
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 of delay		

¹ Unless otherwise specified in the loan agreement, the loan proceeds should be used for their intended purpose during no more than 3 months.

² 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. These fees do not apply to loans to agro-processing industry.