



AMERIABANK CJSC

11RBD PL 72-03-02

RETAIL SME LENDING TERMS

Edition 56

Effective date: August 1, 2022

6. POS/account turnover-based overdrafts on business cards (Visa Business/MasterCard Business)

Loan type	Overdraft on business card based on the volume of POS transactions or account turnover		
Purpose	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 ¹	According to the approved criteria		
Currency	AMD	USD	EUR
Minimum and maximum lending limit	<ul style="list-style-type: none"> Up to 40% of average monthly cash flows through accounts with Ameriabank during the most recent 612 months, within AMD 1,000,000-20,000,000 or its equivalent in foreign currency The credit limit for the client with at least 3-month cash flow history with Ameriabank shall be based on the cash flows through the client's accounts with Ameriabank for 3 months and the net turnover with the other banks for at least 39 preceding months, within AMD 1,000,000-20,000,000, provided that the client transfers his/her accounts turnover with other banks to Ameriabank. <p>If credit line is issued to clients having POS-terminals:</p> <ul style="list-style-type: none"> Difference between 5x of the average monthly POS turnover via the existing POS accounts with Ameriabank for the most recent 6 months or most recent 12 months, whichever is lower, and the amount of collateral-free loans at Ameriabank, within AMD 3,000,000-20,000,000 or its equivalent in foreign currency The same approach is applied to the net POS turnover through accounts with other banks provided that such POS turnover is transferred to Ameriabank. 		
Term (months)	12 months		
Annual interest rate (fixed)	15.5% (APR: 17.9%)	12.5% (APR: 14.5%)	11% (APR: 12.8%)
Term (months)	36 months		
Annual interest rate (fixed)	16.5% (APR: 18.3%)	13.5% (APR: 14.8%)	12% (APR: 13.1%)
Term (months)	60 months		
Annual interest rate (fixed)	17.5% (APR: 19.3%)	14.5% (APR: 15.8%)	13% (APR: 14.1%)
Annual interest rate (fixed) if the credit line is issued to clients having POS-terminals	15% (APR: 16.1-18.6%)	12% (APR: 12.7-15.1%)	10.5% (APR: 11-13.4%)
Other terms related to the interest rate	If the line of credit/overdraft is secured by cash or bonds issued by Ameriabank, the interest rate is: - 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		
	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: • 2.5% if the collateral is a vehicle, or • 0.5% if the collateral is plant and equipment. 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.		
	If the LTV ratio differs from the ratio specified herein, the interest rate is increased by 0.25%.		
	If the creditworthiness ratios differ from the ratios approved by the internal regulations of the Bank (DSCR), the applicable interest rate is increased by 0.25%.		
	In case of other deviations, the applicable interest rate may be increased by 0.25%.		
Loan disbursement fee	1% of the loan amount • Not applicable in case of overdrafts issued via business cards on the basis of POS turnover		
Loan modification application fee	N/a		
Card service fees	In accordance with Ameriabank CJSC Business Card Rates and Fees (12CIB PL 72-54) ²		

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FORMS OF LOAN repayment	Grace period	N/a
	Repayment	Monthly repayment of interest, with the payment of principal at the end of the term. Any payments and credits to the card account shall be applied for the settlement of interest outstanding as of the moment.
Security	Eligible security	1. Pledge of cash flows through the account 2. In case of turnover-based overdrafts issued via business cards, a guarantee by another individual and/or entity is required. Furthermore, the source of the guarantor's income should not depend on the financed business, and there should be no material delays in the guarantor's credit history (no more than overdue 30 days within the recent 2 years but max 10 consecutive days)
	Description of eligible additional collateral	Real estate ³ , vehicles, plant and equipment to the reasonable satisfaction of the bank, metal accounts in gold, cash and bonds issued by Ameriabank
	LTV ratio (based on the liquidation value of the additional security)	1. Up to 40% of average monthly net cash flows If credit line is issued to clients having POS-terminals, 5x of average monthly POS turnover (Should this ratio be breached during the loan term, the credit limit may be reviewed or revoked) 2. In case of additional security the credit limit may exceed 40% of the average cash flows, in which case the LTV ratio for the amount over the credit limit shall be as follows below: 1. Up to 100% if the loan is secured by real estate 2. 50% if the loan is secured by a vehicle 3. 40% if the loan is secured by plant and equipment, but not more than 30% of the value of aggregate pledge 4. 80% if the loan is secured by metal accounts in gold 5. If the loan is secured by cash/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
	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
	Property appraisal	Pledged assets to be appraised by an appraising partner of the bank.
	Additional security	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	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: 1. If obtained 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. The following vehicles are not subject to insurance: • 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
Loan service fees ⁴	Modification of the loan terms	AMD 25,000
	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

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	Additional fees payable by the client (where there is additional collateral apart from the account turnover)	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	N/a
	Late payment fines and penalties	The interest rate specified in the loan agreement will continue to be applied to overdue loans. Fine in the amount of 0.13 % of overdue loan/interest for each day of delay

¹ No creditworthiness ratios are calculated and no business analysis and proof of income are required for loans secured by cash and metal accounts in gold.

² Ameriabank CJSC Business Card Rates and Fees (12CIB PL 72-54, approved by Management Board Resolution # 24/19/13 dated June 27, 2013). Available at <https://ameriabank.am/useful-links>

³ 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.

⁴ 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.