

## Ameriabank CJSC General Terms and Conditions of Consumer Finance Service for Individuals

### 1. Terms and Definitions

1.1. Capitalized words and phrases used in these *Ameriabank CJSC General Terms and Conditions of Consumer Finance Service for Individuals* shall have the meaning specified below.

<b>Bank:</b>	Ameriabank CJSC
<b>Terms and Conditions</b>	These <i>Ameriabank CJSC General Terms and Conditions of Consumer Finance Service for Individuals</i> as amended and supplemented by the Bank from time to time.
<b>Tariffs</b>	Terms and Conditions of Consumer Finance <sup>1</sup> as amended and supplemented by the Bank from time to time, as well as other terms of consumer finance services applicable under the campaigns held by the Bank from time to time, which may differ from the Terms and Conditions of Consumer Finance or apply in addition to them.
<b>Company</b>	A legal entity or an individual entrepreneur, which provides services, performs works and/or sells goods to individuals.
<b>Product</b>	Products sold by the Company, including Solar Panels, the purchase of which may be financed by the Bank in accordance with the Tariffs and the Terms and Conditions.
<b>Solar Panels</b>	Solar plants, water heaters and other similar items.
<b>Service</b>	Services provided and/or works performed by the Company, the purchase of which may be financed by the Bank in accordance with the Tariffs and the Terms and Conditions.
<b>Client</b>	An individual purchasing Products or Services from the Company under installment arrangements in accordance with the Terms and Conditions.
<b>Party or Parties</b>	The Bank or the Client whenever used in singular, and the Bank and the Client together whenever used in plural.
<b>Consumer Finance Service</b>	<p>The service provided by the Bank, including the following actions performed in accordance with the Terms and Conditions and the Tariffs:</p> <ul style="list-style-type: none"> <li>➤ Signing an Installment Sale Agreement / Paid Services Agreement/ Mixed Agreement,</li> <li>➤ Assignment of monetary claim under the Installment Sale Agreement/ Paid Services Agreement/ Mixed Agreement by the Company to the Bank and acquisition of the assigned monetary claim by the Bank,</li> <li>➤ Acceptance of Offer (execution of Installment Debt Repayment Agreement)</li> </ul>
<b>Consent</b>	Written consent given by the Client to the Bank in relation to obtaining and exchange of the Client related information by the Bank.
<b>Installment Sale Agreement</b>	Agreement signed between the Company and the Client in the form approved by the Bank, according to which the Company sells the Product to the Client on the installment plan. From the moment the Product is delivered to the Client up to the payment, it is considered pledged at the Company to secure respective payment obligations of the Client.
<b>Paid Services Agreement</b>	Agreement signed between the Company and the Client in the form approved by the Bank, according to which the Company provides Services to the Client, and the Client agrees to pay for the Service received.
<b>Mixed Agreement</b>	Agreement signed between the Company and the Client in the form approved by the Bank, according to which the Company sells the Product and provides Services to the Client on the installment plan. Furthermore, from the moment the Product is delivered to the Client until performance of the Client's obligations under the Mixed Agreement, the Product purchased shall be considered pledged at the Company to secure performance of the Client's payment obligations under such Agreement.
<b>Solar Panels Supply and Works Agreement</b>	Agreement signed between the Company and the Client in the form approved by the Bank, according to which the Company supplies Solar Panels to the Client and performs related installation, configuration, testing and commissioning works on the installment plan. Furthermore, from the moment the Product is delivered to the Client until performance of the Client's obligations under the Mixed Agreement, the Product purchased shall be considered pledged at the Company to secure performance of the Client's payment obligations under such Agreement.
<b>Installment Purchase Agreement</b>	<p>Installment Sale Agreement, Paid Services Agreement, Mixed Agreement and/or Solar Panels Supply and Works Agreement.</p> <p>Installment Debt Repayment Agreement executed between the Bank and the Client in the form approved by the Bank via Acceptance of the Offer by the Bank in accordance with the Terms and Conditions. The Agreement, the Terms and Conditions and the Tariffs together stipulate the terms of how the Client is supposed to return the</p>

<sup>1</sup>10RB PL 72-34 (approved by Management Board Resolution # 04/54/20 as of April 29, 2020)  
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	amount of the Company's claim arising out of the Installment Purchase Agreement to the Bank in case the Company assigns such claim to the Bank.
<b>Offer</b>	Written offer to enter into an Installment Debt Repayment Agreement presented by the Client to the Bank in the form approved by the Bank, with indication of the essential terms of the Credit if financed by the Bank, included those specified in clause 3.1 of the Terms and Conditions.
<b>Acceptance</b>	Act of accepting the Offer by the Bank in accordance with the rules prescribed by the Agreement and the Offer. Acceptance of the Offer by the Bank results in execution of an Installment Debt Repayment Agreement between the Bank and the Client.
<b>Credit</b>	The amount owed by the Client to the Bank as of the effective date of the Agreement.
<b>Interest</b>	The amount of interest accrued on the Credit at the nominal annual interest rate specified in the Agreement.
<b>Service Fee</b>	The service fee specified in the Agreement.
<b>Schedule</b>	The schedule for repayment of the Credit, Interest and the Service Fee specified in Annex 1 to the Agreement forming an integral part thereto.
<b>Fines and Penalties</b>	Fines and penalties under the Agreement payable for non-performance or improper performance of the payment obligations under the Agreement.

## 2. Procedure and terms of the Agreement execution. Subject of the Agreement. Interpretation Rules.

- 2.1. The Terms and Conditions set out the main conditions of the relationships arising out in connection with the provision of the Consumer Finance Service by the Bank to the individuals.
- 2.2. The Terms and Conditions are an invitation to make an Offer, and the legal relationship between the Parties under the Terms and Conditions arises / enters into force upon submission of the Offer by the Client to the Bank in accordance with the Terms and Conditions and the Tariffs on terms satisfactory to the Bank, as well as upon acceptance of the Offer by the Bank. Once the Offer is accepted by the Bank, the Offer, the Terms and Conditions and the Tariffs together shall constitute one and the same agreement concluded between the Parties, valid until the full and proper performance of the obligations under the Agreement by the Parties.
- 2.3. The Offer shall be made in 2 (two) counterparts equal in legal effect. The Client and the Bank receive once counterpart each. The Agreement shall be deemed executed on the date the Bank accepts the Offer, and the Bank's address shall be considered the venue of entering into the Agreement. The Acceptance shall be performed by sending an SMS about acceptance of the Offer by the Bank to any of the Client's mobile numbers specified in the Offer within 5 (five) calendar days (term for acceptance) upon signing of the Offer by the Client.
- 2.4. Where the Bank sends the Acceptance notice to any of the Client's mobile numbers specified in the Offer, the Acceptance notice shall be deemed received by the Client provided that the latter has not notified the Bank in writing about the change of the respective mobile numbers.
- 2.5. In case of sending the Acceptance notice, other notices and information to the Client's contact data specified in the Offer, the risk of third party access to them shall be borne by the Client.
- 2.6. The Bank's actions towards performance of the terms of the agreement specified in the Acceptance notice within the time frames defined for the Acceptance shall be deemed Acceptance of the Offer.
- 2.7. The Offer may not be recalled within the set term for acceptance.
- 2.8. Signing of the Agreement proves that the Company's assigns its monetary claim to the Client to the Bank, such claim arising out of the Installment Purchase Agreement signed between the Client and the Company and specified in the Agreement. According to the terms therein contained, the Bank agrees to enable the Client to pay the amount of the respective debt in installments, and the Client agrees to repay it together with the interest and the service fees. The Acceptance shall be at the same time a notice on the assignment of the monetary claim specified in the Offer, hence from the moment of its receipt the Client shall be considered to have been notified about the assignment to the Bank of the Company's monetary claim arising out of the relevant agreement signed with the Company and specified in the Offer.
- 2.9. Any and all references to the Agreement shall include the Offer, the Terms and Conditions and the Tariffs forming an integral part of the Agreement, unless otherwise explicitly stated.
- 2.10. If any portion of any condition or provision of the Agreement is held by a relevant authority to be invalid or unenforceable, for any reason, such provision shall have a limited interpretation and shall not affect the validity of other provisions and conditions of the Agreement, which shall continue in force and be enforceable to the maximum extent allowed by law.
- 2.11. Any amendment to these Terms and Conditions that may apply to the relationships between the Parties shall be made via a respective reference in the Offer or via covenants signed in addition to the Agreement which may be executed at any stage of the service upon mutual consent of the Parties.

## 3. Main Terms of the Credit. Calculations and Payments.

- 3.1. The specific terms of the Credit, including, but not limited to, the amount of the Credit, nominal annual interest rate, annual percentage rate, Service Fees, total cost, Fines and Penalties, the collateral securing performance of the obligations under the Agreement, as well as the Client-preferred means of the communication between the Parties under the Agreement shall be specified in the Offer.
- 3.2. The Credit shall be provided in a cashless form lump-sum. The Credit repayment method shall be **ANNUITY**, i.e. equal installments consisting of a portion of Credit, a portion of Interest and a portion of the Service Fee.
- 3.3. The Interest shall accrue on the outstanding amount of the Credit daily on the basis of a 365-day year. The Service Fees shall accrue on the amount of the Credit monthly at the beginning of each month.
- 3.4. The size of the annual percentage rate and the total cost specified in the Offer shall be determined as of the date when the Offer is made and may be revised during the duration of the Agreement by the Bank in the cases and in accordance with the procedure specified in the

Terms and Conditions. Such revision may result from the change in the size of the Service Fees, repayment of the Credit by the Client before the date specified in the Agreement or due to the change of other components included in their calculation.

- 3.5. The Client shall repay the amount of the Credit, Interest and Service Fees to the Bank in accordance with the Schedule.
- 3.6. The Amount of the Credit, Interest and Service Fees shall be deemed paid from the moment such amounts are paid to the Bank's cash desk or are credited to the Bank's correspondent account.
- 3.7. Any payment of the Client under this Agreement shall be used for the repayment of the Client's indebtedness under the Agreement in a succession determined by the Bank.
- 3.8. The Client agrees and instructs the Bank that if a third party approaches the Bank for the purpose of payment of the Client's monetary obligations under the Agreement, the Bank should provide sufficient data and information to such third party for the latter to pay respective monetary obligations of the Client.
- 3.9. The Bank has a right to charge the amounts payable to the Bank by the Client under the Agreement (including the amount of the Credit and/or Interest and/or Service Fees and/or Fines and Penalties (if any), and/or other amounts payable to the Bank under the Agreement) to any account (if any) of the Client with the Bank, including current, card and deposit accounts, through direct debiting without further instruction or consent of the Client. The Bank shall be entitled to charge the specified amounts directly without further instruction or consent of the Borrower on the date such amounts become due and/or on the dates following that date, until actual payment (including payment through direct debiting) date. Where there are no sufficient funds on the Client's AMD accounts for direct debiting of the payable amounts, the Bank shall charge the respective amounts to the Client's accounts in other currency by converting the payable amounts to the required currency at the then effective rate of the Bank.  
The Bank shall exercise the right defined under this clause at its own discretion and it shall not further be referred to or relied upon by the Client for disputing accrual and charging by the Bank of the Fines and Penalties defined under the Agreement for non-performance or improper performance of the Client's payment obligations under the Agreement.
- 3.10. The liabilities under this Agreement may be subject to offset only upon consent of the Bank.
- 3.11. The Bank has the right to assign the monetary claim to the Client arising out of the Agreement and its rights over the collateral to the third parties. Starting from the time the monetary claim is assigned to the third parties, the accrual of the Interest and the Service Fees shall terminate, unless otherwise stated in the assignment notice sent to the Client. From the time of the monetary claim assignment, any other terms of the Agreement relating to such monetary claim (including Client's rights and responsibilities) shall continue to apply in the same manner to the person that has acquired such monetary claim except for the terms the validity of which was the result of the special creditor status under the Agreement, including availability of special banking permit (license).

#### **4. Specifics of Buying Products on Credit.**

- 4.1. In case of buying Products in the scope of Consumer Finance Service, the Client shall pledge the Product specified in the Offer at the Company to secure proper performance of the obligations under the Agreement, such pledge effective from the time the Agreement comes into force. In such case, the Client shall act as a pledgor.
- 4.2. The pledged Product shall remain at the Client's disposal.
- 4.3. The Client has the right to possess and use the pledged Product as per its intended purpose and freely manage the Product after performance of the payment obligations to the Bank in full.
- 4.4. The LTV (Credit amount to the value of collateral) ratio shall be specified in the Offer. The Bank doesn't plan revaluation of the collateral, termination of the pledge or imposing additional pledge requirement during the validity term of the Agreement, hence the LTV ratio shall remain unchanged during the term of the Agreement. Nonetheless, in some cases if there is any change in the LTV ratio that occurs due to the circumstances not envisaged at the time of execution of the Agreement, and such change results in the change in the Agreement terms, the Client shall be notified about the specified change via execution of an amendment to the Agreement signed with the Bank to incorporate the change in the respective terms of the Agreement. Where revision of LTV ratio does not result in the change of the Agreement terms, the Bank shall notify the Client in writing or verbally as requested by the Client, within 5 (five) business days upon submission of such request.
- 4.5. The Bank has the right to:
  - 4.5.1. check the availability, condition, maintenance conditions of the Product used as collateral, for which the Client shall ensure the necessary environment and not prevent the Bank from exercising this right;
  - 4.5.2. request the Client to take appropriate measures to ensure proper maintenance of the Product used as collateral and to terminate any action likely to result in its destruction or damage to it;
  - 4.5.3. Obtain insurance of the Solar Panels used as collateral against the risks determined by the Bank, such insurance being on the terms and conditions satisfactory to the Bank through an acceptable insurance company, and the Client being specified as a beneficiary. The notice on the insurance shall be sent to the Client by the Bank or the respective insurance company (along with the notice, the Client shall receive the conditions of the insurance). Furthermore, if the Client doesn't receive the terms of insurance within 10 (ten) days after the Agreement enters into force, the Client shall obtain the contact data of the insurer from the Bank and contact the insurer for the terms. Any and all risks associated with failing to comply with this clause, namely, failing to obtain the insurance terms from the insurer and/or to read and understand the terms, shall be borne by the Client. The Client's right to claim insurance compensation for the Solar Panels pledged as collateral (from the time such right arises), as well as the amount of the insurance compensation transferred in the name of the beneficiary, i.e. the Client, in connection with the Solar Panels used as collateral (from the time such amount is transferred to the Bank) shall be pledged by the Client in favor of the Bank by the virtue of the Agreement, to secure proper performance of the Client's obligations under the Agreement, including the amount of the Credit, Interest, Service Fees and other payments under the Agreement. By signing the Agreement, the Client gives her/his unconditional and irrevocable consent that, upon the consent (discretion) of the Bank, the amount of the insurance compensation received in connection with the Solar Panels used as

collateral and her/his right to claim such compensation may be used solely for performance of the Client's obligations under the Agreement (including early repayment) or renovation/restoration of the Solar Panels used as collateral, based on their pledge in favor of the Bank.

The Bank shall determine the cases and conditions for execution and termination of the insurance contracts, which the scope of which the Bank shall also have the right to terminate the insurance contracts for the Solar Panels used as collateral signed in accordance with this clause, in the event (*inter alia*) the Bank assigns its monetary claim to the third parties in accordance with the Terms and Conditions. The Bank shall determine at its sole discretion whether to exercise its right to obtain insurance for the Solar Panels as specified in this clause. Absence of the insurance, whether in whole or in part, shall not be considered as a breach of its obligations and/or negligence by the Bank. In addition, in no event such circumstances may be referred to as a basis for claiming compensation of the damages in case of loss, destruction, damage of the Solar Panels used as collateral, etc., in which case the Bank shall not be held liable in any manner since the Bank may obtain insurance for the Solar Panels used as collateral to mitigate its own risks while acting in the capacity of a pledgee. All costs of obtaining insurance for the Solar Panels used as collateral shall be borne by the Client via reimbursing to the Bank of the costs incurred by the latter. In such case, the insurance costs shall be included in the Service Fee.

The Bank has the right to receive from and provide to the insurer any information in relation to the insurance of the Solar Panels used as collateral that contains insurance secrecy.

4.6. The Client shall:

- 4.6.1. maintain the pledged Product properly and refrain from actions which may result in deterioration of the quality or destruction of the pledged Product;
  - 4.6.2. take necessary measures to protect the pledged Product (including from the unauthorized actions and claims of third parties) and forthwith notify the Bank about any adverse events resulting in deterioration of the condition of the pledged Product or about any unauthorized actions;
  - 4.6.3. upon the Bank's request, in case of non-performance or improper performance of the obligations under the Agreement, provide the pledged Product to the Bank, based on an acceptance act, for the latter to change its storage location;
  - 4.6.4. upon the Bank's request notify the Bank about the location of the Product used as collateral and allow the Bank to check the availability and conditions of the Product;
- 4.7. In case of failure in performance or improper performance of obligations under this Agreement by the Client, the Bank, subject to the laws and regulations of the Republic of Armenia, shall be entitled to enforce its security interest in the pledged Product, once the liabilities become overdue.
- 4.8. In case of failure in performance or improper performance of obligations under the Agreement by the Client, the Bank has the right to foreclose on the pledged Product and sell it through a judicial procedure or by any out-of-court method not prohibited by the laws and regulations of the Republic of Armenia. Moreover, the Bank has the right to sell the pledged Product on behalf of the Client at the public auction (hereinafter the "Auction") in accordance with the Civil Code of the Republic of Armenia.
- 4.9. In case of non-performance or improper performance of the obligations under the Agreement by the Client, the Bank shall give written notice to the Client in a due manner, and, where required so by laws and regulations of the Republic of Armenia, to the registering authority as well, notifying about the enforcement of the pledged Product through an out-of-court procedure (hereinafter the "Enforcement Notice"), after which the Bank shall have the right to take reasonable measures to store, maintain and protect the pledged Product. The Client shall not hinder the Bank in such actions and shall ensure that the Bank has a possibility to dismantle and transport the pledged Product. The Client shall provide the pledged Product to the Bank, on the basis of an acceptance act, together with all the related accessories and supporting documents (data sheets, technical specifications, quality certificates, user manual, etc.) and other documents required by the Bank. Furthermore, transfer of the pledged Product and execution of acceptance act in accordance with this clause shall not be deemed enforcement of the pledged Product and in no event it may be construed and/or interpreted as the enforcement of the pledged Product by such transfer or execution of the acceptance act.
- 4.10. Two months after the delivery of the Enforcement Notice to the Client and, where required so by law, to the registering authority, the Bank shall sell the pledged Product in accordance with the laws and regulations of the Republic of Armenia by any method not prohibited by the laws and regulations of the Republic of Armenia.
- 4.11. The Client may incur additional expenses in case of the sale of the pledged Product. After the enforcement and sale costs, including taxes, have been repaid out of the proceeds of sale of the pledged Product, the Bank shall withhold the full amount of its claims under the Agreement and return the rest of the proceeds to the Client.
- 4.12. Should the proceeds from the sale of the pledged Product be insufficient to repay the Bank's claims in full volume, the Bank may foreclose on the property of the Client in accordance with the laws and regulations of the Republic of Armenia.
- 4.13. From the moment of enforcement and sale of the pledged Product, and origination of the new owner's title to the Product used as collateral, the Client's rights to the collateral shall terminate.
- 4.14. In case of non-performance of the obligations under the Enforcement Notice in full and in the time frames specified in the notice, upon expiry of the specified period such obligations (outstanding Credit balance, Interest accrued by that time, Service Fees, Fines and Penalties and other charges) shall be deemed OVERDUE LIABILITIES as defined under the Civil Code of the Republic of Armenia, article 252, clause 1, i.e. the Client shall be entitled to terminate the out-of-court enforcement and sale of the Product used as collateral once they perform the OVERDUE LIABILITIES in full.
- 4.15. THE CLIENT CONFIRMS THAT IN ADDITION TO THIS CHAPTER OF THE TERMS AND CONDITIONS, THEY HAVE ALSO READ CHAPTER 15 (INCLUDING ARTICLES 249, 250 AND 251) OF THE CIVIL CODE OF ARMENIA CAREFULLY, AND FULLY UNDERSTAND AND ACCEPT THE CONSEQUENCES ARISING OUT OF THE APPLICATION OF THE SAME BY THE BANK.**

**5. Communication between the Parties. Exchange of Information.**

- 5.1. The Bank will communicate with the Client and will send the Client messages, including documents, materials and other items relating to the Bank products and services, in a manner agreed with the Client using the notification details provided by the Client.
- 5.2. Any and all communication/notifications under the Agreement shall be made in writing and delivered via the channels specified in the Agreement by the Client. Communication and notifications sent in accordance with this clause shall be deemed properly received by the Client if sent via the contacts specified in the Offer for the respective communication channel or further made known to the Bank by the Client in accordance with the Terms and Conditions:
  - 5.2.1. In case of email notice: from the time specified in the electronic message on sending the email (even if there is no "read" report), and
  - 5.2.2. In case of notices by post, phone or other channels: from the time they become available to the Client via the respective means.
- 5.3. The Client shall be deemed properly notified also if the communication/notices under the Agreement are sent to the Client's official email address and there is a "received" report, even if there is no "read" report. This being the case, the Client shall be deemed properly notified on the 5th day following receipt of the communication/notice in this manner.
- 5.4. Any phone number, mailing address, email or communication details specified by the Client in the Offer or provided to the Bank in writing or otherwise made available to the Bank can serve as a channel of notification of the Client.
- 5.5. The Client agrees that the Bank may apply the manner of notification specified in the Agreement in any communication with the Client, as well as in case of non-performance or improper performance of obligations by the Client, including for delivery of extrajudicial enforcement notices, court notices/claims/advance claims/materials/documents.
- 5.6. The Client consents that when resolving the disagreements and disputes arising out of the Agreement or exercising the rights and obligations of the Parties, the court, arbitration tribunal, Financial System Mediator and state agencies may, upon the Bank's request, use the manner of communication with and/or notification of the Client specified in the Agreement.
- 5.7. The Client shall bear the adverse consequences of failure to read the notices, claims, information and other documents sent to their official email address or other electronic communication addresses provided to the Bank by the Client, as well as adverse consequences of third party access to such information.
- 5.8. The Client has been warned that any message sent via electronic communication means can be compromised by the third parties. The Client is also aware that information sent to the mailing address specified by the Client can become accessible to third parties due to reasons beyond control of the Bank. In this regard the Client agrees that the Bank shall not be responsible for any loss the Client might incur as a result of delays in receipt of information due to reasons specified above or third parties gaining access to information due to reasons beyond control of the Bank or through no fault of the Bank.
- 5.9. The Bank shall:
  - 5.9.1. provide to the Client information on liabilities arising out of or in connection with the Agreement, basis for their origination and payments, including applicable Fines and Penalties for failure in performance or improper performance of obligations by the Client or other measures impairing the Client's condition, cases and procedure of their application. Such information shall be provided to the Client every thirty days in the manner specified by the Client in the Offer.
  - 5.9.2. give the Client at least 1 (one) day prior notice about outstanding liabilities in the manner specified by the Client in the Offer, as well as about sending the information on non-performance or improper performance of the payment obligations under the Agreement by the Client to the credit bureau and/or the Credit Register of the Central Bank of Armenia according to the defined order.
- 5.10. The Bank has the right to study the Client's financial condition and to request relevant documents and information, and the Client agrees to facilitate conducting of such study, if necessary, and to provide all the required documents and information within the time frame set by the Bank.
- 5.11. The Bank has the right to provide information about the Client, her/his accounts and monetary obligations to other banks, credit organizations and credit bureaus, whether upon their request or at its own initiative.
- 5.12. The Client agrees that the Bank may provide the Client-related information containing banking secrecy to the persons specified in the laws and regulations of the Republic of Armenia in the respective cases and order, as well as:
  - 5.12.1. To criminal prosecution bodies if fraud, forgery or crime has occurred, or is suspected, or pending,
  - 5.12.2. To insurance companies, reinsurers, professionals providing evaluation services during insurance compensation provision process (applicable whenever required to protect the rights and legal interests of the Bank, to the respective extent).The consent given hereby shall be valid for an indefinite period and shall survive termination of the Agreement.
- 5.13. The Client shall notify the Bank in writing about any change in ID data, address, email, phone number and other details within 5 (five) business days and provide the updated documents if available.
- 5.14. Hereby the Parties agree that in case the Client makes a partial repayment of the Credit before the due date, the Bank shall make the new repayment schedule available to the Client via Online Banking system (if any) or shall provide it to the Client, at the Client's first request and discretion, either in person at the Bank's premises or send it to the Client's email address. Notwithstanding the way of delivery, the new repayment schedule shall bear the signature of the Bank's authorized representative and the Bank's stamp only and the Client's signature shall not be required.
- 5.15. Hereby the Client authorizes the Bank to use the Client's contact data (name, address and any contact details provided to the Bank) for sending informational and promotional messages on the products and services offered by the Bank, as well as to share such information with companies having contractual relationships with the Bank, at its sole discretion and without any prior notice to the Client, in order to make provision of services easier or ensure higher level of service for the Client.



- 5.16. Hereby the Client authorizes the Bank to request and receive any information on behalf of the Client during the validity term of the Agreement from any bank servicing the Client and other entities, as well as to make inquiries and receive the requested information irrespective of whether it contains banking and/or trade secret or not.
- 5.17. The Client agrees that for security considerations all conversations between the Bank and the Client (its representative), conducted within the Bank premises or via any communication channel in real time, can be recorded, and these records can be relied upon as proof and used by the Bank for protection of its legitimate rights and interests.
- 5.18. The Bank shall treat the Client's information containing banking secrecy that has become known to the Bank, as confidential in accordance with the Republic of Armenia laws and regulations.

#### **6. Procedure for amending the Agreement.**

- 6.1. The Bank has the right to revise the Terms and Conditions and the Tariffs unilaterally by giving at least 7 (seven) days advance notice to the Client in the manner prescribed by the Terms and Conditions and posting the new terms on the Bank's website ([www.ameriabank.am](http://www.ameriabank.am)) at the same time.
- 6.2. The amount of the Credit under the Agreement may be refinanced out of the Bank borrowings, which will make it possible to apply a lower Service Fee rate to the eligible Clients, as compared to the rate that would apply all other things being equal without refinancing (the exact Service Fee shall be specified in the Offer). In such cases, if the refinancer, nonetheless, rejects or cancels (terminates) refinancing of the Credit amount, the Bank has the right to revise the size of the Service Fee unilaterally during the term of the Agreement so as to align it with the rate that would apply in the absence of refinancing. In any case, the revised Commission Fee may not exceed the maximum rate of the Service Fee envisaged under the Tariffs, and the annual percentage rate changed as a result of the Service Fee revision may not exceed the maximum annual percentage rate specified in the Tariffs. The Bank shall notify the Client about the change specified herein in accordance with the Terms at least 7 (seven) business days in advance. Such notice shall be a basis for application of the revised Commission Fee from the date specified in the notice.
- 6.3. Any amendments and/or addenda to the Agreement other than those specified in clauses 6.1 and 6.2 above shall be made by a written instrument signed by the Parties.
- 6.4. The following changes (including but not limited to) in the circumstances may not be considered material and hence may not be used as a basis for termination or modification of the Agreement under the Civil Code of the Republic of Armenia, Article 467: current or pending deterioration of the financial condition of the Client, including due to (i) changes in market conditions or market environment, financial or other crisis, such threat or its worsening, (ii) loss of the Client's property or sources of income, any fluctuations in their composition and/or frequency and/or volume, and/or changes in any circumstances affecting the Client's paying capacity, (iii) changes in or termination of any benefits provided by any Government agency or other entities (including, but not limited to subsidy, refinancing, cofinancing for any part of obligation or terms of refund/financing of any expenses aimed at performance of any part of obligations, tax or customs benefits), (iv) volatility of exchange rates and/or restrictions related to border controls.

#### **7. Early termination of the Agreement. Prepayment of the Credit.**

- 7.1. The Bank has the right to demand from the Client to repay the Credit, Interest accrued as of the payment date, Services Fees, Fines and Penalties and other amounts payable to the Bank under the Agreement (if any), whether with termination of the Agreement or without it, by giving at least 7 (seven) business days advance notice to the Client in the manner prescribed by the Agreement if:
  - 7.1.1. the data (documents and other information) provided at any time by the Client are found to be untrustworthy or false;
  - 7.1.2. the Client fails to perform any obligation (including payment obligations) under the Agreement or performs them improperly;
  - 7.1.3. the Client is found to have or have had overdue financial liabilities and/or classified indebtedness to the Bank and/or to third parties;
  - 7.1.4. there are circumstances expressly evidencing that the amount of the Credit, Interest and Service Fees will not be repaid within the term defined by the Agreement (including bankruptcy or preconditions for bankruptcy);
  - 7.1.5. assets (property) of the Client are under or become subject to lien or arrest or become otherwise encumbered under applicable laws and are not immediately released;
  - 7.1.6. there are judicial, criminal, administrative, insolvency or other proceedings initiated against the Client by Government authorities, which are likely to affect the financial standing and/or stability of the Client in a materially adverse manner;
  - 7.1.7. there are other grounds envisaged under the laws and regulations of the Republic of Armenia.
- 7.2. **The Client has the right to:**
  - 7.2.1. **PERFORM THE PAYMENT OBLIGATIONS UNDER THE AGREEMENT FULLY OR IN PART WITHOUT PAYING ANY FINES AND PENALTIES. IN CASE OF EARLY SETTLEMENT OF PAYMENT OBLIGATIONS UNDER THE AGREEMENT, THE TOTAL CREDIT COST SHALL BE PROPORTIONALLY REDUCED BY THE AMOUNT OF THE INTEREST (CALCULATED ON A DAILY BASIS) AND SERVICE FEES (CALCULATED ON MONTHLY BASIS).**
  - 7.2.2. Terminate the Agreement during the cooling-off period provided for by law, at its sole discretion, for no reason, in accordance with the procedure stipulated by law.
- 7.3. Where the Client terminates the Agreement before the due date based on termination of the Installment Purchase Agreement, the Client shall make mutual settlements with the Bank and the Company within two business days and sign a mutual settlements act. Such act shall state whether or not the parties have any claims and obligations to each other, and where there are such claims and obligations, the act shall define the amount and parties thereof. The Client shall pay to the Bank and/or the Company any amount payable under the act (if any) within one business day upon signing of the act.

**8. Responsibility of the Parties**

- 8.1. The Client shall be liable to the fullest extent (including collateral, if any) for failure in performance or improper performance of liabilities under the Agreement.
- 8.2. The Client shall be responsible in accordance with the laws and regulations of the Republic of Armenia for authenticity and accuracy of documents submitted by the Client to the Bank.
- 8.3. Where the Client fails to perform the payment obligations under the Agreement or performs them improperly, the Bank has a right to impose a fine on the Client in the amount prescribed by the Agreement.
- 8.4. Whenever applied, the maximum annual rate or aggregate amount of Fines and Penalties under the Agreement shall be within the limits defined under the laws and regulations of the Republic of Armenia.
- 8.5. Charging or payment of Fines and Penalties under the Agreement shall not release the Client from their obligations and the obligation to indemnify the losses incurred by the Bank, and shall not in any manner restrict the Bank's rights, including legal possibilities to terminate the Agreement and/or request to accelerate the repayment of liabilities.
- 8.6. The Client shall properly compensate for all expenses (if any) incurred by the Bank due to failure or default in performance on the part of the Client.
- 8.7. **THE BANK SHALL PROVIDE INFORMATION ABOUT NON-PERFORMANCE OR IMPROPER PERFORMANCE OF THE CLIENT'S PAYMENT OBLIGATIONS UNDER THE AGREEMENT TO THE CREDIT BUREAU AND/OR THE CREDIT REGISTER OF THE CENTRAL BANK OF ARMENIA WITHIN 3 (THREE) BUSINESS DAYS IN ACCORDANCE WITH THE APPROVED PROCEDURE. THE CLIENT UNDERSTANDS AND CONFIRMS THAT THEY ARE AWARE THAT INFORMATION ON OVERDUE LIABILITIES SUBMITTED TO THE CREDIT BUREAU MAY AFFECT THEIR CREDIT HISTORY AND FUTURE ATTEMPTS TO GET FINANCIAL INSTRUMENTS IN AN ADVERSE MANNER.**
- 8.8. The Bank shall not be held liable for the Client's losses, damages or delay resulting from activities of Government authorities or force majeure conditions, including breakdown of devices or power failure or cutoff.
- 8.9. In the event of the Client's death, incapacity, insolvency or bankruptcy, the Bank shall not be liable for the operations or services provided under the Agreement until it has received proper notice of such facts, including sufficient documentary evidence, and in the event of receipt, the Bank shall suspend execution of transactions and provision of banking services from the business day following the day of notification until acquisition and registration of appropriate authorities by the Client's legal successor or another legal representative. In case of the Client's death, the accrual of fines shall terminate, while accrual of Interest and/or Service Fees shall continue. The Bank may also suspend provision of the bank services and transactions if the Bank receives information on the above specified circumstances from other sources which are reliable in the Bank's opinion.
- 8.10. This Agreement shall be binding upon and inure to the benefit of the Parties' successors and assigns.

**9. Force Majeure**

- 9.1. Neither Party shall be liable for failure in performance or improper performance of obligations, i.e. payment of penalties or reimbursement of loss, under the Agreement, if such failure or non-performance was caused by force majeure.
- 9.2. For the purposes of the Agreement, force majeure means extraordinary circumstances arising after the execution of the Agreement which are the fault of neither of the Parties, could not have been reasonably foreseen or prevented by either Party and objectively render proper performance of obligations impossible. Such circumstances include, but are not limited to: natural disasters (earthquake, flood, hurricane, etc.), social unrest, which render it impossible to perform obligations properly.
- 9.3. The Party affected by force majeure shall inform the other Party in the manner defined under the Agreement within 24 (twenty four) hours after occurrence of such circumstances. This being the case, the affected Party shall be released from responsibility as follows:
  - 9.3.1. In case of non-performance or improper performance of payment obligations, subject to provision by affected Party of reasonable and acceptable proof of force majeure and its material impact on proper performance of obligations to the other Party within 7 (seven) business days after the notice given in accordance with clause 9.3 above. The other Party shall respond in writing within 5 (five) business days. If the Party does not respond within 5 (five) business days, the force majeure evidence provided by the affected Party shall be deemed rejected.
  - 9.3.2. In case of non-performance or improper performance of non-payment obligations, if such non-performance prima facie appears to be the result of force majeure described in this chapter.
- 9.4. Neither Party shall be allowed to invoke force majeure to be released from responsibility for non-performance or improper performance of obligations under the Agreement, if it has not complied with the terms and procedure envisaged under this chapter, in which case the terms of responsibility under the Agreement shall continue in full force and effect.
- 9.5. If force majeure circumstances continue for more than 2 (two) months, the Party obligations to which are not performed or are performed improperly due to such circumstances shall be entitled to unilaterally terminate the Agreement, giving notice to the other Party in accordance with the Agreement 5 (five) business days in advance. In case of termination of the Agreement under this clause the consequences of early termination of the Agreement shall apply on general bases in accordance with the terms of the Agreement and the laws and regulations of the Republic of Armenia, except the fine (if any) for early payment of obligations under the Agreement, which shall not apply.
- 9.6. Where the Party's obligations under the Agreement are secured by collateral, and such collateral has been damaged or destroyed, that Party shall within the term agreed with the Bank restore the collateral or replace it with other equivalent collateral to the reasonable satisfaction of the other Party, even if such damage or destruction was the result of force majeure.
- 9.7. Hereby the Parties state that existence of force majeure circumstances shall not be relied upon as basis for release from obligations under the Agreement, unless otherwise directly envisaged under the laws and regulations of the Republic of Armenia.

**10. Issues not regulated by the Agreement. Dispute resolution.**

- 10.1. Any matter which has not been covered by the Agreement shall be regulated under the laws and regulations of the Republic of Armenia.
- 10.2. Disputes arising out of or in connection with the Agreement shall be referred to the court of general jurisdiction of Yerevan, unless otherwise agreed between the Parties and/or stipulated by imperative legal norms of the Republic of Armenia. The Client may protect her/his rights in accordance with the procedure described in "What to do if you have a complaint" form forming an integral part of the Agreement and attached to the Client's counterpart of the Offer.
- 10.3. The Client agrees that, before resorting to the dispute settlement procedure defined in clause 10.2 herein, any disagreement, claim or complaint with respect to the rights, obligations and responsibility arising out of the law of the Republic of Armenia "On Consumer Crediting" and related bylaws based on the said law and applicable to this Agreement shall be submitted to the Bank in writing and only dealt with in accordance with the procedure defined under clause 10.2 herein if partially or fully rejected or not satisfied by the Bank or if otherwise no agreement regarding such disagreement, claim or complaint is reached between the Client and the Bank.
- 10.4. **DISAGREEMENTS AND DISPUTES UNDER THE AGREEMENT ARISING OUT OF A PROPERTY CLAIM OF WHICH THE VALUE IS WITHIN AMD 10,000,000 OR FOREIGN CURRENCY EQUIVALENT MAY BE SETTLED THROUGH THE FINANCIAL SYSTEM MEDIATOR. ACCORDING TO THE AGREEMENT EXECUTED BY AND BETWEEN THE BANK AND THE FINANCIAL SYSTEM MEDIATOR, THE BANK HAS WAIVED ITS RIGHT TO DISPUTE THE DECISIONS OF THE FINANCIAL SYSTEM MEDIATOR PROVIDED THAT THE PROPERTY CLAIM DOES NOT EXCEED 250,000 (TWO HUNDRED AND FIFTY THOUSAND) ARMENIAN DRAMS OR THE EQUIVALENT IN OTHER CURRENCY AND THE AMOUNT OF TRANSACTION DOES NOT EXCEED 500,000 (FIVE HUNDRED THOUSAND) ARMENIAN DRAMS OR THE EQUIVALENT IN OTHER CURRENCY.**