

Retail Lending Terms and Conditions
4.1 Consumer loan for purchase of a vehicle on the primary market

Purpose	Purpose	Purchase of a new vehicle on the primary market (car dealers)		
Client's personal details	Eligible age	18-65 years old, provided that the borrower's age at loan maturity will not have exceeded 65, otherwise a coborrower or guarantor is required. The eligible age of coborrower or guarantor is 18-65 provided that at the expiry of the agreement it will not have exceeded 65. If presence of a coborrower or guarantor is a required condition pursuant to the loan terms (except where the coborrowers or guarantors possess at least 70% of the income included in the OTI ratio calculation), the eligible age is 18-65 provided that at the expiry of the agreement it will not have exceeded 65.		
	Residency	Citizens of Armenia and other countries who are resident in Armenia		
Terms of the loan	Currency	AMD		
	Minimum and maximum credit limit	AMD 3 million - AMD 50 million		
	Term (months)	36 months	37 - 60 months	61 - 84 months
	Annual interest rate (without cooperation agreement plus property insurance)	Fixed		Floating (applicable starting from the 37th month)
		15.0%	15.5%	Fixed component 8% + variable component (base rate)
	Annual interest rate (with cooperation agreement plus property insurance)	Fixed		Floating (applicable starting from the 37th month)
		14.5%	15.0%	Fixed component 7.5% + variable component (base rate)
	Other terms relating to the interest rate	Where at the client's request insurance is obtained by the client, the interest rate shall be reduced by 1%.		
		If repayment schedule is differentiated or mixed, the applicable interest rate is +0.5%.		
		If LTV ratio differs from approved standard, the applicable interest rate is +0.5%.		
Depending on credit history, the applicable interest rate can be +0.5%.				
If the borrower prefers lending scheme without early repayment penalty, and the loan amount exceeds 10 million AMD, the applicable interest rate is +2% (not applicable to loans secured by cash)				
Loan disbursement upfront fee	0.5% of the loan principal or AMD 50,000, whichever the greater			
Cashing the loan by the borrower	Free			
Minimum down payment	At least 30% of the vehicle price			
Forms of loan repayment	Loan repayment form	Annuity (equal loan installments consisting of a portion of loan and a portion of interest; payable on monthly basis)		
		Differentiated (repayment of equal portions of principal with decreasing interest accrued to the outstanding balance; payable on monthly basis)		
		Mixed (the client may choose an individual repayment schedule based on the seasonality of cash flows, provided that the amount of principal repaid each year makes at least 20% of contractual amount). Interest is payable on monthly basis.		
Security	Eligible security	The loan is secured by the vehicle being purchased.		
	LTV (loan to value) ratio	The Bank lends 70% of the car price specified in the reference provided by the Car Dealer unless there is another arrangement between the Car Dealer and the Bank under a cooperation agreement.		
	Details of the vehicles to be pledged	Car bought from the Car Dealer (not registered)		
	Pledge appraisal	N/a, if the car is bought from the Car Dealer. The estimated pledge value is equal to the price specified in the reference provided by the Car Dealer to the client.		
	Additional security	The Bank may request warranty by individuals and/or companies as additional security.		

Insurance of pledged property	Insurance of pledged property	<p>The insurance of real estate is maintained throughout the loan term by the Bank to the extent of the outstanding principal.</p> <p>The insurance of vehicles is maintained throughout the loan term:</p> <ol style="list-style-type: none"> 1. By the Client at least to the extent of the outstanding principal 2. By the Bank to the extent of the outstanding principal. <p>The following vehicles are not subject to insurance by the Bank:</p> <ul style="list-style-type: none"> • Cars transporting hazardous materials (toxic substances, chemicals, radioactive and explosive materials) • Cars which will be used in race, testing, have three wheels, snow removers, motorcycles, special purpose cars • Taxis and leased cars
Loan service fees*	Modification of the loan terms	AMD 15,000
	Change of pledged property (for real estate; including change of the owner of the pledged property)	AMD 10,000
	Change of pledged property (for vehicles; including change of the owner of the pledged property)	AMD 5,000
	Provision of pledge-related consents, permissions and references	AMD 5,000 (VAT included)
	Change of the loan repayment date	AMD 5,000
Required documents	Required documents	Required documents filed together with loan application
		Loan application
		• ID [original]
		• Certificate of ownership of the real estate to be bought/pledged [copy]
		Documents required after initial approval
		• Proof of employment and/or other income
		• Marriage (divorce, spouse death), birth certificate [original]
		• Certificate of registration and ownership certificate of the vehicles to be bought/pledged [original]
		• Initial report on appraisal of the vehicle
		Documents required after loan approval
		• ID of the owners of the vehicle to be purchased/pledged [original]
		• Copy of the marriage (divorce, spouse death) certificate of the owners of the vehicle to be pledged
		• Statement, issued by the Police, on the encumbrance of vehicle
		• Vehicle appraisal report (final)
		• Vehicle insurance agreement
• Other documents as the Bank's specialist may request		
Extra fees	Early repayment	5% of the amount fully or partially prepaid during first 3 years of the loan term, applicable to loans beyond 10 million AMD
	Late payment fee (principal and interest)	<p>The interest rate stipulated in the agreement shall continue to be applied to overdue loans.</p> <p>Fine equal to 0.13% of the overdue principal and interest for each day of delay</p>
Miscellaneous	Other fees payable by the client	<ul style="list-style-type: none"> • Fee for notarization and state registration of the bank's security interest in the pledged vehicle under the pledge agreement • Vehicle encumbrance police reference fee
	Cooperation between the Car Dealer and the Bank	The Bank and the car dealer may define other terms of lending, including interest rate, advance payment and LTV ratio, than the terms specified above. Also, they may choose not to apply other terms relating to interest rate.

*The fee is charged if the modification is requested by the client. If several fees should be charged for one and the same modification, the higher of the applicable fees will be charged only once. Such fees are not applicable in case of loans secured by pledge of cash, bonds and metal accounts. If the modification implies adding new pledge or a new guarantor, the fee is not charged.