

Retail Lending Terms and Conditions
Edition 45
Effective date: July 01, 2021
4.2 Consumer loan for purchase of vehicle on secondary market

Purpose	Purchase of vehicle on secondary market or transfer of a car loan from another bank/credit organization to Ameriabank
Eligible age of client/co-borrower/guarantor	18-65 years old, provided that the borrower's age at the time of expiry of loan agreement will not have exceeded 65, otherwise a co-borrower or guarantor is required. The eligible age of co-borrower or guarantor is 18-65 provided that at the time of expiry of agreement it will not have exceeded 65. If involvement of a co-borrower or guarantor is a required condition under loan terms (except where co-borrowers or guarantors possess at least 70% of the income included in OTI calculation), the eligible age is 18-65 provided that at the time of expiry of agreement it will not have exceeded 65.
Residency	Citizens and non-citizens of Armenia who are resident in Armenia
Currency	AMD
Minimum and maximum loan limit	AMD 3 million - AMD 50 million
Term (months)	60 months
Nominal annual interest rate	Fixed 17%
Annual percentage rate	<u>18.7% - 20.17%</u>
Other terms related to interest rate	Where insurance is obtained by client, the interest rate is decreased by: - 2% if the loan is secured by vehicles, - 0.05% if the loan is secured by real estate, considering the share of each type of collateral in total collateral.
	If repayment schedule is differentiated or mixed, the applicable interest rate is increased by 0.5%.
	If loan-to-value ratio differs from approved standard, the applicable interest rate is increased by 0.5%.
	Depending on credit history, the applicable interest rate can be increased by 0.5%.
	Where the client chooses a repayment option without early repayment fee for loans exceeding 15 million AMD , the interest rate is increased by 2% (not applicable to loans secured by cash/bonds).
Loan disbursement lump-sum fee	<u>0.5% of the loan principal or AMD 50,000, whichever is greater</u>
Cashing of loan by borrower	Free
Minimum down payment	At least 20% of purchase price of the vehicle
Repayment ¹	Annuity (equal monthly installments consisting of a portion of loan and a portion of interest)
	Differentiated (monthly repayment of equal portions of principal amount while interest accrues to outstanding loan and decreases each month)
	Mixed (client may choose an individual repayment schedule based on seasonality of cash flows, provided that at least 20% of contractual loan amount is repaid each year; interest payable on monthly basis)
Eligible security	The loan is secured by the vehicle being purchased, as well as real estate and other vehicles to the reasonable satisfaction of the bank, metal accounts in gold, cash and bonds issued by Ameriabank
Loan-to-value (LTV) ratio	Max 70% of market value of pledged vehicle The value of the other loan security shall be included in the estimation of the LTV ratio in an amount not more than: 1. Real estate: 60% if in Yerevan, 50% if outside Yerevan 2. Metal accounts in gold with Ameriabank: 80% 3. Cash in/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 7 years for vehicles manufactured in foreign countries
Location of real estate to be pledged	Capital cities and regional centers of Armenia and Artsakh, as well as the towns of Abovyan, Etchmiadzin, Jrvezh, Arinj, Dzoraghbyur, Tsaghkadzor, Dilijan, Qajaran and Jermuk
Property appraisal	Pledged vehicles and real estate to be appraised by an appraising partner of the bank.
Additional security	The bank may request guarantee of individuals and/or companies as additional security.

Insurance of collateral ¹	<p>Insurance for pledged real estate and vehicles to be maintained throughout the term of loan:</p> <ol style="list-style-type: none"> 1. If obtained by the client: at least to the extent of outstanding principal 2. If obtained by the bank: to the extent of outstanding principal <p>The bank does not obtain insurance for the following vehicles:</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 <ul style="list-style-type: none"> • Taxis and rental cars
Required documents	Required documents filed together with loan application
	• Loan application
	• ID [original]
	• Certificate of ownership of property to be purchased/pledged [copy]
	Documents required after initial approval
	• Proof of employment and/or other income
	• Marriage (divorce, spouse death), birth certificate [original]
	• Certificates of registration and ownership certificates of vehicles to be pledged [original]
	• Certificate of title to real estate to be pledged [original]
	• Initial report on appraisal of real estate/vehicle
	Documents required after loan approval
	• Copies of bases of title to real estate (to be submitted upon request)
	• IDs of owners of property to be purchased/pledged [originals]
	• Copies of marriage (divorce, spouse death) certificates of owners of property to be pledged
	• Statement from the State Committee of Real Estate Cadaster on encumbrance of real estate (unified statement)
	• Statement, issued by the Police, on encumbrance of vehicle
	• Real estate appraisal report (final)
• Real estate/vehicle insurance policy	
• Other documents as the bank's specialist may request	
Early repayment fee	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. Applicable to loans exceeding 15 million AMD. Not applicable to loans secured by cash or bonds.
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 beyond terms
Other fees payable by the client	<ul style="list-style-type: none"> • Fee for unified statement from the State Committee of Real Estate Cadaster of the Government of the Republic of Armenia • Fees for notarization of pledge (real estate or vehicle) and filing of the bank's security interest under pledge agreement <ul style="list-style-type: none"> • Fee for statement from the Police on encumbrance of vehicle