

 AMERIABANK		AMERIABANK CJSC		11RBD PL 72-03-01		
Retail Lending Terms and Conditions				Edition 52		
				Effective date: June 1, 2022		
<b>6.1 MasterCard Standard/VISA Classic credit card secured by property (including paper gold and cash)</b>						
Purpose	Purpose	Payments				
Client's personal details	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 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				
Creditworthiness assessment*	Total loan obligations to total income (OTI)	If monthly income is below AMD 400,000 50%	If monthly income is AMD 400,000-800,000 55%	If monthly income is above AMD 800,000 60%		
	Difference between total income and liabilities (OSM)	Yerevan: ≥ AMD 70,000 Regions: ≥ AMD 45,000	Yerevan: ≥ AMD 90,000 Regions: ≥ AMD 70,000	Yerevan: ≥ AMD 120,000 Regions: ≥ AMD 90,000		
Loan conditions	Currency	AMD	USD	EUR		
	Annual service fee	AMD 6,000 (AYO cards are subject to the Fees and Rates of AYO Cards with Credit Line)				
	Minimum and maximum credit limits	AMD 1,000,000 - AMD 1,500,000	USD 3,000 - USD 5,000	EUR 3,000 - EUR 5,000		
	Increase of credit limit of card	AMD 5,000				
	Term (months)	Indefinite term (until requested back)* Until loan cancellation by the bank, which may occur in accordance with the agreement, based on the results of the monitoring by the bank				
	Interest rate	17.5%	14.5%	12.5%		
	Annual percentage rate (APR)**	16.68-19%	13.27-18.15%	11.05-15.35%		
	Other terms related to the interest rate	Where insurance of the collateral is obtained by the bank at the with of the client, the rate of interest will be increased by: • 2.5% if the collateral is 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 repayment schedule is differentiated or mixed, the applicable interest rate is increased by 0.5%.				
		If the collateral related ratios (loan-to-value ratio) differ from those approved by the internal regulations of the Bank, the applicable interest rate is increased by 0.25%.				
If the creditworthiness criteria differ from those approved by the internal regulations of the Bank (any or some of the declared income related criteria, OTI and OSM), the applicable interest rate is increased by 0.25%.						
In case of other deviations, the interest rate may be increased by 0.25%.						
If the loan 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 the client chooses a repayment option without early repayment fee for loans exceeding AMD 15 million, the interest rate is increased by 2% (not applicable to loans secured by cash/bonds).	
	Grace period	Up to 51 days	
Forms of repayment	Minimum payment required	10% of utilized amount as shown in account statement, or AMD 5,000/USD 10/EUR 10, whichever is greater, plus accrued interest *Not applicable to loans secured by cash/bonds and credit cards to Premium and Partner clients	
	Interest calculation	If the client repays the whole amount utilized in one month during the grace period, no interest accrues.  If the client does not make repayment, utilized amounts bear interest starting from the first day withdrawn. The same interest accrues to amounts utilized after that and is payable on monthly basis.	
Security	Eligible security	Real estate, vehicles to the reasonable satisfaction of the bank, metal accounts in gold, cash and bonds issued by Ameriabank	
	Maximum loan-to-value (LTV) ratio*** (if the loan is secured by real estate, vehicles or plant and equipment, calculation is based on their liquidation value)	The value of the loan security shall be included in the estimation of the LTV ratio in an amount not more than: 1. Real estate: 70% if in Yerevan, 60% if outside Yerevan 2. Vehicles: 60% 3. Property and equipment: 40%, but not more than 30% of the value of aggregate pledge 4. Metal accounts in gold with Ameriabank: 80% 5. Cash at Ameriabank/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	
	Location of real estate to be pledged	Capital cities and regional centers of Armenia and Artsakh, as well as the towns of Abovyan, Ejmiatsin, Jrvezh, Arinj, Dzoraghbyur, Tsaghkadzor, Dilijan, Qajaran and Jermuk	
	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	
	Appraisal of the collateral		Pledged property to be appraised by an appraising partner of the bank.
			Vehicles 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 the collateral	Insurance of property	The insurance of real estate, vehicles and plant and equipment is maintained throughout the loan term: 1. If obtained by the client: at least to the extent of the credit limit 2. If obtained by the bank: to the extent of the credit limit The bank does not obtain insurance for the following vehicles: • 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	
Required documents	Required documents	<b>Required documents filed together with loan application</b>	
		• Loan application	
		• ID [original]	
		• Certificate of ownership of property to be purchased/pledged [copy]	
		<b>Documents required after initial approval</b>	
		• 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]	
		• Geodetic measurement report of land plot to be pledged****	
		• Initial report on appraisal of real estate/vehicle	

Requires		<b>Documents required after loan approval</b>
		• 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	
Other amounts payable	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 AMD 15 million where the credit limit has been prepaid in full. 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 of delay
	Lump-sum fee for failure to make required minimum monthly payment when due****	AMD 5,000
Other terms	Other fees payable by client	<ul style="list-style-type: none"> <li>• Fee for unified statement from the State Committee of Real Estate Cadaster of the Government of the Republic of Armenia</li> <li>• Fees for notarization of pledge (real estate or vehicle) and filing of the bank's security interest under pledge agreement</li> <li>• Fee for statement from the Police on encumbrance of vehicle</li> </ul>

\* OTI is calculated as the ratio of all credit obligations of the borrower, co-borrower and their family members to total net income.

OTI calculation includes:

- Borrower's net income, or
- Borrower's and co-borrower's net income, or
- Net income of the borrower, co-borrower and their family members.

OSM is calculated as the difference between the income and credit obligations included in OTI calculation minus spendings of the borrower/co-borrower and their family members.

Depending on income, expenses per family members are calculated as follows:

1. If the income is below AMD 400,000, estimated expense per family member is AMD 70,000 if in Yerevan, and AMD 45,000 if in regions.
2. If the income is from AMD 400,000 to AMD 800,000, estimated expense per family member is AMD 90,000 if in Yerevan, and AMD 70,000 if in regions.
3. If the income is above AMD 800,000, estimated expense per family member is AMD 120,000 if in Yerevan, and AMD 90,000 if in regions.

Note that persons owning at least 70% of income included in OTI calculation should be co-borrowers or guarantors.

OTI/OSM calculation includes the highest applicable amounts of monthly loan payments.

Lines of credit and gold-secured loans are included in calculation of monthly liabilities to the extent of 5% of credit limit/outstanding loan.

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

\*\*\*In case of loans secured by cash the amount of cash is included in LTV calculation after deduction of interest paid at the beginning of term.

\*\*\*\*For credit cards issued after January 2015 late payment penalties will be applicable instead of lump-sum fee.

\*\*\*\*\*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.

\*\*The annual percentage rate (APR) may differ from the above specified values if there is any or a few of the following factors:

- When the property insurance is obtained by the Bank at the customer's request
- When the borrower selects differentiated or mixed form of loan repayment
- If there are deviations from the creditworthiness criteria approved under the internal regulations of the Bank
- If additional property is pledged as collateral
- If there are other deviations