

BANK GUARANTEES		
Terms and Conditions		
1	Principal	A legal entity or sole entrepreneur active for at least 3 months
2	Amount of bank guarantee	No restrictions are applied
3	Currency of bank guarantee	Armenian dram (AMD) or foreign currency acceptable to the Bank
4	Term of bank guarantee	Subject to the transaction term and Client solvency
5	Security of a Bank guarantee	Cash, government bonds Real estate Movable property Pledging right of claim to money Warranty Other collateral
6	Guarantee/collateral value	In case of government bonds, cash pledge - 100% In case of real estate pledge - 85% max. In case of movable property pledge - 70% max. In case of pledge of right of claim to money - maximum 20% of net annual credit turnover ¹
COMMISSION FEES		
BANK GUARANTEES WITHIN THE REPUBLIC OF ARMENIA		
7	Fee for provision (issue) of a bank guarantee	
7.1	One-time charge of monthly service fee	Equal to 1/12 of the annual guarantee service fee
7.2	Charging of one-time service fee	No fee is charged for guarantee provision (issue)
8	Bank guarantee maintenance fee (commissions are charged either on a monthly basis or all at once for the entire period, except for bid security (bank guarantee))	
8.1	Fee for servicing any type of bank guarantee under primary security (except for bid security (bank guarantee))	1% p.a. of guarantee amount, min. 20.000 AMD (one time), maximum AMD 3,000,000 per year
8.2	Fee for servicing any type of bank guarantee secured by immovable property (except for bid security (bank guarantee))	1.5% p.a. of guarantee amount, min. 20.000 AMD (one time)

¹ Where an entity is the Bank client for less than one year, net credit turnover shall be calculated for the last 6 months

8.3	Fee for servicing any type of bank guarantee secured by mixed collateral (except for bid security (bank guarantee), in which case the share of immovable property should be 50% or more	2% p.a. of guarantee amount, min. 20.000 AMD (one time)
8.4	Fee for servicing any type of bank guarantee secured by mixed collateral (except for bid security (bank guarantee), in which case, the share of immovable property should be up to 50%	2,5% p.a. of guarantee amount, min. 20.000 AMD (one time)
8.5	Fee for servicing any type of bank guarantee secured by movable property (except for bid security (bank guarantee)	3% p.a. of guarantee amount, min. 20.000 AMD (one time)
8.6	Fee for servicing any type of bank guarantee under other security (except for bid security (bank guarantee)	3,5% p.a. of guarantee amount, min. 20.000 AMD (one time)
8.7	Fee for bid security (bank guarantee) maintenance (regardless of the type of collateral)	1% p.a. of guarantee amount (one time), min. 20.000 AMD (one time)
9	Renewal of bank guarantee, amendments to T&Cs	As per guarantee service tariffs
10	Change of bank guarantee security means upon the consent of the Bank	30 000 AMD (for replacement of each means of security) with guarantee tariffs changed
10.1	Replacement of the collateral with primary collateral	0 AMD, with no change in bank guarantee tariffs
11	Penalty for late payment of maintenance fee	0.1% per day
INTERNATIONAL BANK GUARANTEES ²		
12	Guarantee issue	
12.1	Guarantee issued in favor of the beneficiary outside RA	

² Fees and other actual costs of intermediary banks are charged additionally
Postal costs of "ARMBUSINESSBANK" CJSC's are charged additionally
Tariffs for international bank guarantees are applicable also to Standby L/Cs

12.1.1	Without involvement of another Bank	
a)	Under security of Client funds (deposition of funds on coverage account)	0.5% of guarantee amount (one-time), min. 30,000 AMD, max. 250,000 AMD
b)	Other security	2.5% of guarantee amount (with monthly payments), min. 40,000 AMD
12.1.2	Guarantee reissue by other bank	Tariff 13.1.1 + other bank fee
12.2	Issuing a guarantee based on the guarantee given by other bank	
a)	Under security of other bank funds (deposition of funds on coverage account)	1% of guarantee amount (with monthly payments), min. 40,000 AMD
b)	Other security	As per additional agreement
13	Current guarantee maintenance	
13.1	Changes to T&Cs of guarantee (with the exception of guarantee amount increase and guarantee renewal)	15,000 AMD
13.2	Notice on changes to guarantee or conditions thereof	15,000 AMD
13.3	Payment against submitted claim	0.3% of the amount payable, min. 45,000 AMD, max. 100,000 AMD
13.4	Verification of Client's payment claim	20,000 AMD
13.5	Bank guarantee maintenance	
13.5.1	Primary security	0 AMD
13.5.2	Other security	5,000 AMD
13.5.3	Additional T&Cs	<ul style="list-style-type: none"> - Fees and other actual costs of intermediary banks are charged additionally - Postal costs of "ARMBUSINESSBANK" CJSC are charged additionally - Tariffs for international bank guarantees are also applicable to Standby L/Cs