

ABB – GOLD +
Terms and Fee Schedule Applicable for “GOLD +” loan product

1. Terms and Conditions		
1.1	Purpose	Consumer loan
1.2	Currency	Armenian dram (AMD)
1.3	Minimum loan amount	AMD 30,000
1.4	Minimum loan amount	In the amount of loans under gold collateral transferred from other banks, credit organizations, but not more than AMD 10,000,000
1.5	LTV ratio	100%
1.3	Nominal annual interest rate	0 %
1.4	Effective annual interest rate	20.28%
1.5	Term	3 months /up to 91 days /
1.6	Repayment of loan	At maturity
1.7	Minimum loan amount	AMD 30,000
1.8	Minimum loan amount	AMD 10,000,000
		The total amount of ABB-GOLD gold collateralized loans per borrower is AMD 15,000,000
1.9	Manner of lending	Noncash, on account
1.10	Early repayment of loan	Permissible, no fines or penalties are applied
2. Bank Fees		
2.1	Fee for loan maintenance /chargeable upon loan issue/	4.5% of issued loan amount
2.2	Cashing out loan funds	0%
2.3	Monthly commitment fee for loan maintenance	N/A
2.5	Loan renewal	The loan is extended as per the terms and tariffs applicable for “ABB-Gold” loan product
2.6	Bank account opening fee	Free of charge
3. Security		
3.1	Collateral	Articles of gold jewelry and gold bullions are accepted as security for loan repayment. The art value of gold jewelry articles, as well as precious and semiprecious stones, white gold jewelry and white gold parts made on a gold product are not valued and are not recognized in the pledge value
3.2	Amount of loan disbursed per 1g of gold article subject to gold purity	In the amount specified by the Bank
3.3	These T&Cs apply only to loans under gold collateral transferred from other banks, credit and other organizations. Such loans must have been serviced for at least 60 calendar days and further renewal thereof shall be carried out as per the terms and rates of the Bank's the then current “ABB-Gold” loan	
4. Borrower Requirements		
4.1	Borrower	An individual aged at least 18
4.2	Credit history requirements	✓ Availability of a credit history is not mandatory ✓ Where a credit history is available, current loan commitments at the time of loan approval should not be overdue and classified as bad

4.3	Borrower revenues	Not applicable
5 Additional Terms and Conditions		
5.1	Basis for rejecting an application	<ul style="list-style-type: none"> Customer does not meet below listed criteria: <ul style="list-style-type: none"> ❖ Trustworthiness ❖ Solvency ❖ Creditworthiness The purity and value of gold articles offered by Customer as a collateral are insufficient for issuing the requested amount or do not meet the Bank's qualifying standards set for gold articles
5.2	Failure by the borrower to fulfill credit commitments	<ul style="list-style-type: none"> <i>For failure to repay interests when due, the Bank shall charge a penalty for each day of default equal to 0.13% of past-due amount;</i> <i>In case of fulfilling overdue obligations, the repayments are made in the following order:</i> <ol style="list-style-type: none"> <i>Fines/penalties</i> <i>Interest amounts</i> <i>Principal</i> <i>For failure to repay the loan when due as prescribed by contract terms, the calculation of interests under the contract shall be suspended and effective from that day until the actual repayment of the arrears interests shall be accrued on the overdue amount equal to the twofold of the settlement rate of the bank interest set by the Central Bank of RA</i> <p><i>In case of non-fulfillment or improper fulfillment of obligations the information shall be sent to the credit register or credit bureau (ACRA).</i></p> <p>IMPORTANT NOTE: BAD CREDIT HISTORY MAY SERVE AS AN IMPEDIMENT FOR THE BORROWER FOR ACCESS TO OTHER CREDITS IN THE FUTURE</p> <p>The Bank is entitled to impose a forfeiture on the security or sell it without going to court; moreover, such collateral shall be realized no later than the 90th day of the loan becoming overdue</p> <p>Where a foreclosure is imposed on the pledged immovable property and claim to mortgaged immovable property is not satisfied in full on the account of amount received from property sale the variance should be charged from borrower's other assets</p>
5.4	Other costs of the Customer	N/A
5.5	Term of loan application review	1 business day
5.6	Place of loan processing	All branches of the Bank (except for Araratyan, Teryan, Zvartnots and Kumayri branches)
5.7	Documents requested for loan processing	<ul style="list-style-type: none"> Passport or ID card Social card or social service number; where such is missing, a statement from the relevant authority (is not required from customers registered in "AS Bank" system of the Bank) In case of transferring the loan under gold security from another financial institution - proof of loan repayment Other documents as requested

ATTENTION

Loan interest amounts are calculated based on the nominal interest rate. The effective annual interest rate on loans measures the real cost of credit after the interests are paid and other payments are made within the specified time and amounts. The procedure for calculating the annual effective percentage rate can be found [HERE](#).

The actual annual interest rate is calculated based on the following formula:

$$A = \sum_{n=1}^N \frac{K_n}{(1+i)^{\frac{D_n}{365}}}$$

Where:

- i** – effective annual percentage rate (APR),
- A** - initial amount of loan to be disbursed (original loan amount provided to the consumer by the lender,
- n** - number of the regular repayment of loan,
- N** - number of the last repayment of loan,
- K_n** - amount of the n-th regular repayment on loan,
- D_n** - time from the date of loan disbursement to the date of the n-th regular repayment on loan measured in terms of days
- i** - effective annual interest rate can be calculated providing that the rest of equation data are known from loan agreement or otherwise.

To calculate the actual annual interest rate you can use Effective Annual Interest Rate Calculator on the following link: <http://www.armbusinessbank.am/am/page/Crediting> .

Example of calculating the effective annual interest rate

In case of issuing loans under gold collateral

- Loan amount – AMD 1,000,000
- Loan period – 3 months
- Annual interest rate – 0%
- Loan service fee – 4.5%

The effective annual interest rate is 20.28 %

Subject to amount, term of loan, frequency of repayments and changes in the prices of other miscellaneous services the effective annual interest rate may vary from the above example.

The Bank may unilaterally change the interest rate defined by the agreement upon at least 7 calendar days' prior notice to the Borrower in case of non-target use of the loan, as well as failure to fulfill the obligations under loan agreement.

Attention

The Borrower has the right to communicate with the financial organization in a form most preferable for the customer (via mail or electronic communication). Obtaining information through electronic communication is most comfortable. It is available in 24/7 mode, is free of the risk of loss of hard copy documents and ensures confidentiality.

Financial directory: www.fininfo.am

Attention

“Your Financial Directory” is an electronic system which facilitates searching, comparing and selecting the most convenient option of services rendered to individuals

Upon favorable decision regarding the application for a consumer loan, "ARMBUSINESSBANK" CJSC shall provide prior to credit arrangement an INDIVIDUAL SHEET subject to the Central Bank of Armenia Regulation 8/05 “Rules of business conduct of financial organizations”.

Bank details:

"ARMBUSINESSBANK" Closed Joint Stock Company

Address: 48 Nalbandyan street, 0010, Yerevan, Armenia, tel: (+37410) 59-20-20, (+37460) 37-25-00, fax: +37410 59 20 64

Website: www.armbusinessbank.am; E-mail: info@armbusinessbank.am

Certificate of registration N 0176, issued 10.12.1991, bank license N 40, issued 10.12.1991

List of services, which the Bank may render pursuant to Chapter 4 of the RA Law "On Banks and Banking ".