

EXPRESS										
Terms and tariffs applicable for loans and credit lines issued to legal entities and sole entrepreneurs										
1	T&Cs	Bank resources			German-Armenian Fund "Access to Financial Resources for SMEs" Loan Program (World Bank)	SME Loans under German-Armenian Fund "Economy Stabilization Lending" Program (non-agricultural)	German-Armenian Fund "Renewable Energy Development" Program			
		Loan	Credit line		Loan	Loan	Loan			
1.1	Currency	AMD, USD, EUR			AMD					
1.2	Annual nominal interest rate	AMD	15%	15%	AMD	11.94%		11.94%	9%	
		USD	13%	13%						
		EUR	13%	13%						
1.3	Annual effective interest rate	12.8%-21.36%						10.32%-10.88%		
1.4	Interest rate charged on unused amount of credit line (annual)	-	0.5%		-	-		-		
1.5	Period (months)	12-60		12-24	6-60			36-60		
1.6	Grace period	2-4* months (for seasonal business) only with the option of interest payment			-	2-4* months (for seasonal business) only with the option of interest payment only with the option of interest payment				
1.7	Manner of repayment	Monthly payment of interests, the principal; repayment of the principal - subject to the traits of business			Monthly payment of interests; to set uniform repayments of the principal from half term		Monthly payment of interests, the principal; repayment of the principal - subject to the traits of business			
1.8	Manner of calculating the interest rate	Annuity (flexible schedule)			On the reducing loan balance		Annuity (flexible schedule)			
1.9	Minimum amount (including the group of affiliated companies and persons)	AMD	200,000			AMD	200,000		1,000,000	
		USD	400							

		EUR	400			
1.10	Maximum amount (including the group of affiliated companies and persons)	AMD	7,000,000	AMD	7,000,000	7,000,000
		USD	15,000			
		EUR	13,000			
1.11	Purpose of loan	Expenses and investments related to business development, repayment of other obligations		Replenishment of PPE in case of investments – 20% of loan amount shall be used to replenish the working capital		Financing of modern energy-efficient equipment and machinery, construction of infrastructure and other projects using renewable energy sources **
1.12	Manner of lending	Cashless provision on the account opened with the Bank				
1.13	Fee for early repayment	In case of transferring loans and credit lines to another financial institution - 1% of early repaid amount				Non applicable
2	Bank Fees					
2.1	Fee for application review	Non applicable				
2.2	One-time service fee	2% of contract amount		2% of contract amount		
		(if the purpose of the loan includes purchasing a loan from another bank, the Bank may not charge a service fee of 2% of the purchase amount)				
2.3	Fee for loan funds cash out	Subject to the Bank tariffs applicable for cash withdrawals from the account				
2.4	Account opening	Subject to the Bank tariffs				
3	Security					
3.1	Security	The surety of at least 2 people, moreover:				
		<ul style="list-style-type: none"> · In case of a sole entrepreneur – one of the guarantors should be a member of his/her family (in the absence thereof – a person with other family relationship) and the other - a third person (financial agent), as well as real beneficiary of business (where available) · In case of a legal entity – director and entities holding 10% and over shares, family member of real beneficiary of business (in the absence thereof – a person with other family relationship) and a third person-financial agent, as well as real beneficiary of business (where available) 				
4	Requirements to Borrower					
4.1	Borrower	Sole entrepreneur and legal entity registered in Armenia and Artsakh		Sole entrepreneur and legal entity registered in Armenia		
4.2	Requirements to borrower	<ul style="list-style-type: none"> • Aged 23-65 (in case of a legal entity customer – persons holding 50% and over shares, director, real beneficiary) • At least 3 months' actual and registered activity • Good credit history – as bank requirements • Credit check – as per the bank requirements 		<ul style="list-style-type: none"> • Aged 23-65 (in case of a legal entity customer – persons holding 50% and over shares, director, real beneficiary) • At least 12 months' actual and registered activity • Good credit history – as per bank requirements • Credit check – as per the bank requirements 		
5	Requirements to guarantor					
5.1	Guarantor	An individual, sole entrepreneur or legal entity registered in Armenia and Artsakh				

5.2	Requirements to guarantor	<ul style="list-style-type: none"> • Aged 21-65 (an individual) • At least 3 months' actual and registered activity (in case of a guarantor who conducts business activity) • Good credit history - according to the bank requirements • Recorded income or own real property (for an individual)
6	Additional terms	
6.1	Term of application review	7 business hours - 2 business days after presentation of a full credit package
6.2	Financial analysis	Without financial analysis
6.3	Interest rate on overdue amount	Twofold amount of the settlement rate of the bank interest set by the Central Bank of RA
6.4	Penalty on overdue interest	0,13%
6.5	Site of loan processing	All branches of the Bank (except for Araratyan, Arshakuni, Charbakh and Arabkir)
6.6	Other expenses of Customer	

List of documents

Documents required for loan processing

1. Loan application,
2. ID documents – copies of passport, social. cards, ID-cards for S/E, directors, incorporators, affiliated parties,
3. Copies of state registration certificate, charter (of legal entity), TIN (if any),
4. ID documents of the spouse (if any) for S/E, owners/shareholders of affiliated persons, in case of death of the borrower's spouse - marriage and death certificates, in case of divorce - divorce certificate (if necessary),
5. In case of legal entities, decision of the general meeting,
6. Tax reporting (income tax, VAT, sales tax, licensed, certified, etc. over the last year; in addition, if the period of activity is less than 1 year, then information for the current period is required,
7. License (if available),
8. Lease agreement for the place of business or certificate of ownership (if any),
9. Cash receipt or invoice (with validity period of maximum 15 days, unless otherwise specified by law of the Republic of Armenia),
10. Photos related to the business,
11. In case of a proxy - passport and power of attorney with the mark of consent for a request to ACRA,
12. Other documents upon request.

Documents requested from the guarantor

1. Application,
2. ID documents for the guarantor,
3. ID documents for legal entities - copies of passport, social. cards, ID-cards for S/E, directors, incorporators, affiliated parties,
4. In case of legal entities, decision of the general meeting,
5. Excerpt from the state registry on amendments to the Charter,
6. In case of legal entities - tax reporting for the last 6 months,
7. Where necessary, a request for proof of income of the guarantor can be made,
8. Certificate of ownership of property owned by the guarantor.

IN CASE OF NON-FULFILLMENT OR IMPROPER FULFILLMENT OF OBLIGATIONS BY THE BORROWER, THE CREDITOR SHALL WITHIN BUSINESS DAYS SEND THESE DATA TO THE CREDIT BUREAU WHERE CREDIT HISTORY IS FORMED. THE BORROWER IS ENTITLED TO GET ITS CREDIT HISTORY FOR FREE FROM THE CREDIT BUREAU ONCE A YEAR.

IMPORTANT NOTE: BAD CREDIT HISTORY MAY SERVE AS AN IMPEDIMENT TO THE BORROWER IN THE FUTURE FOR ACCESS TO OTHER LOANS

INFORMATION FOR THE GUARANTORS

Please be informed that:

- If the borrower fails to fulfill his/her obligations, you will have to pay instead of the borrower, your credit history will be impaired and you will lose your property;
- You will be provided with the copies of loan, guarantee contracts and repayment schedule,
- Communication will be maintained in the mode you have selected,
- You will be notified of a change in the terms of the contract 7 days prior to such changes;
- You will receive a reminder on current obligation 1 day prior to due date,
- In case of loan delinquency, you will be notified about it no later than on the next day.

THE GUARANTOR MAY:

- Any time request the lender to provide information on the amount of loan balance,
- Receive from the Borrower the amount paid by you for the loan, as well as other losses incurred in lieu of the Borrower.

Conditions, terms and tariffs for the provision of excerpts, their copies and other information - in accordance with the Bank's tariffs for services.

WARNING

YOUR PROPERTY MAY BE CONFISCATED IN THE ORDER PRESCRIBED BY LAW FOR FAILURE TO FULFILL OR IMPROPER FULFILLMENT OF OBLIGATIONS UNDER LOAN AGREEMENT.

ATTENTION

THE 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](#).

Formula for Effective Annual Percentage Rate Calculation

- The effective annual percentage 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,

n - number of the regular repayment on loan,

N - number of the last repayment on loan,

Kn- amount of the n-th regular repayment on loan,

Dn- time from the date of loan disbursement to the date of the n-th regular repayment on loan measured in terms of days,

Effective annual interest rate may change depending on the changes in the exchange rates published on the official website of the CB of Armenia.

THE BORROWER HAS THE RIGHT TO COMMUNICATE WITH THE FINANCIAL ORGANIZATION IN A FORM HE/SHE PREFERS MORE (BY POST 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 PAPER DOCUMENTS AND ENSURES CONFIDENTIALITY.

You can get acquainted with “Your financial directory” system by the following link: www.fininfo.am.