

MINI

Terms and tariffs applicable for loans and credit lines issued to legal entities and sole entrepreneurs

1.	T&Cs	Loan	Credit line
1.1	Currency	AMD, USD, EUR	
1.2	Nominal annual interest rate	<ul style="list-style-type: none"> ➤ AMD 13% ➤ USD 11% ➤ EUR 11% 	<ul style="list-style-type: none"> ➤ AMD 12% ➤ USD 10% ➤ EUR 10%
1.3	Annual effective interest rate	13.5-22.5%	
1.4	Interest rate charged on unused amount of credit line	-	1%
1.5	Period	6-60 months	6-36 months
1.6	Grace period	6 months (for seasonal business) only with the option of interest payment	-
1.7	Manner of repayment	Monthly repayment of interests, repayment of the principal - subject to the traits of business	Monthly repayment of interests; to set uniform repayments of principal amount from half term
1.8	Manner of calculating interests	Annuity (flexible schedule)	Against loan balance
1.9	Minimum amount	<ul style="list-style-type: none"> ➤ AMD 200,000 ➤ USD 400 ➤ EUR 350 (including the group of affiliated companies and persons)	
1.10	Maximum amount	<ul style="list-style-type: none"> ➤ AMD 25,000,000 ➤ USD 50,000 ➤ EUR 45,000 (including the group of affiliated companies and persons)	
1.11	Purpose of loan	Costs and investments related to business development, repayment of other obligations	
1.12	Manner of lending	On account opened at the Bank	
1.13	Fine, penalty for early repayment of loan in case of transferring the loan to another financial company	In case of repaying the loan or credit line up to 1 year - 3% of early repaid amount	
2.	Bank Fees		
2.1	Fee for application review	N/A	
2.2	One-time service fee	2% of contract amount, maximum AMD 150.000	

2.3	Fee for loan funds maintenance	Subject to the Bank tariffs applicable for cash withdrawals from the account	Subject to the Bank tariffs applicable for business cards
2.4	Account opening	Subject to the Bank tariffs	
3. Security			
3.1	Collateral	Real estate, fixed assets, third party guarantee	
3.2	LTV	Up to 90% of liquid value of real property (Fixed assets – not more than 20% of loan/credit line, maximum AMD 3.000.000)	
4. Requirements to Borrower			
4.1	Borrower	<ul style="list-style-type: none"> • Legal entity and sole entrepreneur registered in Armenia and Artsakh 	
4.2	Requirements to borrower	<ul style="list-style-type: none"> • Aged 23-65 (in case of legal entities – of the director and incorporator with 10% and over shares) • Actual and registered activity – at least 3 months • Good credit history - according to the bank requirements • Credit check - according to the bank requirements 	
4.3	Credit check	Financial analysis	
5 Requirements to guarantor			
5.1	Guarantor	An individual and sole entrepreneur registered in Armenia and Artsakh	
6 Additional terms			
6.1	Term of application review	2 business days following the presentation of a full credit package	
6.2	<i>Interest rate on overdue amount</i>	Twifold amount of the settlement rate of the bank interest set by the Central Bank of RA	
6.3	<i>Penalty on overdue interest</i>	0,13%	

Attention

The interest amounts on loan are calculated based on the nominal interest rate. The effective (actual) 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.

Formula for Effective Annual Interest Rate Calculation

The effective 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,

n - number of the regular repayment on loan,

N - number of the last repayment on 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 please use Effective Annual Interest Rate Calculator, with reference <http://www.armbusinessbank.am/am/page/Crediting>.

Example of calculating the effective annual interest rate

- Loan amount – AMD 1 000 000
- Loan period - 60 months
- Annual interest rate - 13%

The effective annual interest rate is 15.09%

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

Bank details:

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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, is stipulated in accordance with Chapter 4 of RA Law "On Banks and Banking Activity".