

Annex 3

Terms and conditions of the Business Loans starting from 03.06.2020

Products	" Business Soft"	" Business Simple"		" Business Progress"	
Currency	AMD	AMD / USD			
Amount (AMD)	150,000 – 500,000	500,001 – 1,500,000	1,500,001 – 2,500,000	2,500,001 – 5,000,000	5,000,001 – 10,000,000
Disbursement fee	14.9 %				
Disbursement fee	3.5 %, maximum 250,000 AMD				
Monthly service fee	1.7 %	0.9 %	0.5%	0.3 %	
Minimum and maximum term (months)	6 – 24	6 – 36 ¹		6 – 60	
Amount in USD	-	300 – 5,000		5,001 – 10,000	10,001 – 20,000
Annual interest rate	-	18 %		20 %	18 %
Disbursement fee	-	4.5 %, minimum 12,000 AMD		3 %, maximum 200,000 AMD	
Monthly service fee	-	0.25 %		0.1 %	

Products	" Business Soft"	" Business Simple"	" Business Progress"	
Minimum and maximum term (months)	-	6 – 36 ¹	6 – 60	
General Conditions				
Disbursement methods	Cash/Non-cash			
Repayment methods	Annuity monthly repayments. A flexible schedule of loan repayment can also be promoted, taking into account business peculiarities.			
Tranches	N/A	Maximum 2 tranches	Maximum 3 tranches	
The security of the loan (minimum requirements) ²	<p>≤ 500.000 AMD (1.000 USD)</p> <ul style="list-style-type: none"> no guarantor is required (if there are no requirements from Credit Committee), pledge is prohibited <p>500.001 – 1,500,000 AMD (1.000 – 3,000 USD)</p> <ul style="list-style-type: none"> at least one guarantor³ <p>1,500,001 – 2,500,000 AMD (3,001 – 5,000 USD)</p> <ul style="list-style-type: none"> in case of new clients – one financial guarantor⁴ in case of repeated clients⁵ – one guarantor 		Two financial guarantors one of whom must be external.	One guarantor and liquid collateral in the amount of at least 50% of the loan amount ⁶
Parallel Loans	<ul style="list-style-type: none"> The maximum number of parallel "Rural Soft" loans per customer is 2 and the maximum amount is AMD 500,000 The maximum number of parallel "Rural Simple" loans per customer is 2, and the maximum amount is AMD 2,500,000 or USD 5,000 The maximum number of parallel "Rural Progress" loans is 3, the maximum amount is AMD 10,000,000 or USD 20,000 			
Early repayment terms	The Borrower is authorized to make an early (total or partial) repayment of the loan liabilities stipulated by the contract without any penalty. In case of early repayment of the borrower's obligations under the contract, the principal amount of the loan is reduced and the total borrower's credit expense is reduced proportionally (all interest and other payments), unless the payer has made another written order on the amount paid. In addition, penalties and other fees paid or payable for non-performance or improper performance			

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	<p>of obligations under the RA Legislation and contract shall not be deductible, payments which are subject to payment by the customer in respect of goods, services or works in credit or without credit (cash price), payments which are made for credit repayments and interest payments, as well as other payment prescribed by Article 15 of the Law on Consumer Crediting.</p> <p>Upon full early repayment of the loan, the borrower pays the loan service and other payments, interest and loan which are accrued as of the payment date.</p> <p>The Borrower may, at his/her discretion, make payments for subsequent months specified in the Repayment Schedule by submitting a written order thereon.</p> <p>In the event that the prepaid amount fails to repay the full amount of the regular repayment date set forth by the Borrower's Repayment Schedule and there is a written instruction from the Borrower (Payer) to direct the repayment to the subsequent repayment schedule, the repayment shall be made in the following order: 1. service and other payments, 2. interest, 3. loan.</p>		
<p>Penalties</p>	<p>In case of failure to meet the obligations in the deadlines set out by the borrower's repayment schedule, the borrower shall pay the lender a penalty</p> <ul style="list-style-type: none"> • In the amount of 0.13% of the unpaid loan amount for each overdue day, and • In the amount of 0.13% of the unpaid interest amount for each overdue day <p>In case of breaking the deadlines of paying the loan amount (breach), prescribed by the loan contract, set out by the repayment schedule, the calculation of the loan annual interest rate prescribed by the contract with respect to the overdue loan amount is stopped and from the day of the breach till the actual repayment day of the overdue loan amount subject to repayment, an interest starts being accrued in the amount of 24 percent (twenty-four percent) annual interest rate. Moreover, the sequence of repayment of the monetary obligation prescribed by the aforementioned terms and conditions may be amended on the basis of a written application (writing) submitted by a Borrower and Lender's decision, which will be regarded as an agreement between the parties on the sequence of the repayment of the monetary obligation requirements.</p> <p>In case of existence of overdue liabilities on loan and interests from the borrower's side and insufficiency of paid amounts, the liabilities are paid in the following sequence, first are paid the expenses of the lender spent on fulfillment of liabilities, then service fees and accrued penalties, interests, and loan amount.</p>		

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Notes	<p>The Borrower shall act on his/her behalf and in his/her favor (actual beneficiary) when receiving a loan.</p> <p>¹ The loan can be provided with the tenor of 48 months only in case the Loan is intended for the acquisition and/or major repair of fixed assets and/or other purposes set by Credit Committee.</p> <p>² According to FINCA UCO CJSC regulations if there is/are other shareholder(s) in the client’s business/activity, his/their guarantee(s) is a mandatory condition for loan security, irrespective of the loan type and amount.</p> <p>³ In all the cases when the guarantor is not internal, a family member shall be regarded as an affiliated person (in case of being married, the spouse shall be regarded as an affiliated person except cases when the latter is out of the country or there are other obstacles).</p> <p>⁴ The minimum criteria that financial guarantors should meet: stable income (salary or entrepreneurship) and/or liquid property (vehicles, real estate) compatible with the loan amount.</p> <p>⁵ Clients who had a loan in the past and who apply for a new loan no later than three months after repaying the previous loan shall be regarded as repeated clients</p> <p>⁶ The types of liquid collateral are: agricultural equipment (state registered), vehicle or real estate.</p>		