

**MAIN TERMS OF ARMSWISSBANK’S ENERGY EFFICIENCY LOANS<sub>1</sub>**

No.	Term	Housing microfinance	Energy efficient renovation
	Loan terms		
1.1	Currency	AMD	AMD
1.2	Purpose	Improvement of housing conditions/ /renovation of residential real estate	Renovation of residential real estate, aimed to increase the energy
1.3	Maximum amount	EUR 500-4,000 equivalent AMD/ in accordance with the exchange rate set by the CBA as of the entry date of application/	EUR 4,001-10,000 equivalent AMD/ in accordance with the exchange rate set by the CBA as of the entry date of application/
1.4	Maximum maturity term (months)	60-120	60-120
1.5	Grace period	6-12	6-24
1.6	Annual interest rate	13%	11-12%
1.7	Cashback	The borrower gets 10% of the loan amount as a cashback, for the repayment of the principal, if more than 50% of the loan amount is used to attain materials to increase the energy efficiency	The borrower gets 10% of the loan amount as a cashback, for the repayment of the principal, if the energy efficiency index after the renovation is at least 35%.

1.8	Interest calculation methodology	Calculated against the diminishing balance of the loan on a 365 day per year basis	
1.9	Loan/collateral ratio		Up to 50%,
1.10	Lending method	Cash, non cash	
1.11	Loan approval decision	Within 3 business days	
1.12	Notifying the client about the approval decision	Within 1 business day	
1.13	Actual transfer of the amount	Within 5 business days after the client submits all the documents required for processing the loan	
1.14	Revision of the terms of approved/not provided loans	10,000 AMD	
2.	Commission fees for the Bank's and third parties' services		
2.1	One-time loan commission fee	30,000 AMD	50,000 AMD
2.2	Estimated annual cost of insurance/ % of the loan's residual amount	0.15% of the loan's residual amount	0.15% of the loan's residual amount 0.15% of estimated cost of collateral
2.3	Estimated cost of collateral assessment		15,000 AMD
2.4	Other estimated costs related to the processing and state registration of the collateral		50,000 AMD
2.5	Cash withdrawal	0%	
3.	Loan payment terms		
3.1	Payment method	By monthly annuity payments <sup>2</sup> or equal payments of the principal amount as the customer prefers	
3.2	Prepayment	Penalty of 1% of the prepaid amount	
3.3	Charges against overdue principal amounts	0.1%	
3.4	Charges against overdue interest amounts	0.2%	

3.5	Interest rate applied for overdue amounts (principal, interest)	According to the requirements of the 411 article of RA Civil Code	
3.6	Penalty for hindering loan monitoring activities	50,000 AMD	
3.7	Penalty for using the loan or part of the loan for purposes other than those stipulated	10% of the amount used for purposes other than those stipulated	
3.8	Review/schedule changes of acting contract's (credit, pledge, other) terms <sup>3</sup>	50,000 AMD	
3.9	Providing authorization to pledge the property as a subsequent pledge in another bank <sup>4</sup>	50,000 AMD	
4.	Assessment and Insurance of Collateral		
4.1	Requirement for assessment of the market value of the collateral		Required: Must be performed by an appraisal company cooperating with the Bank
4.2	Collateral insurance requirement until maturity of the loan		Insurance is purchased for one year period. For every succeeding year the collateral is re-insured for another year. Insurance for the last year is purchased for the remaining maturity of the loan. Property is insured for the amount of the estimated market value.

4.3	Requirement for the client's life insurance until maturity of the loan		Insurance against loss of working ability in case of an accident. The client, the co-borrower and persons who bear equal liability (according to their income) for paying the residual amount of the loan to the Bank.
5.	Collateral		
5.1	Loan collateral	Guarantee of min. one person, or another collateral except real estate	Real estate being renovated, personal guarantee of the co-owner
5.2	Location of the collateral	Republic of Armenia (except Yerevan's Administrative district "Kentron")	
6.	Other requirements		
6.1	Credit history	At the time of receiving the loan the borrower should not have any overdue obligations. The number of overdue days for the last 12 months for all the loans may not exceed 30 calendar days.	
6.3	Other conditions	<ul style="list-style-type: none"> <li>• The guarantor cannot act at the same time as a co-borrower</li> <li>• The guarantor should not have problematic commitments at the time of loan disbursement</li> <li>• The guarantor can have max. 2 already given guarantees for the liabilities of other persons.</li> <li>• At least 50% of Energy-efficient renovation loan should be directed towards the attainment of materials to increase the energy efficiency of the residential real estate</li> <li>• Within the scopes of the Program one borrower can be granted with the loan only once.</li> <li>• The borrower / co-borrower have to be at least a co-owner of the renovating residential real estate.</li> </ul>	

<sup>1</sup> Loan applications, which contain deviations from the mentioned conditions can be rejected by the Bank.

<sup>2</sup> Annuity assumes equal monthly payments of the principal and interest amounts.

<sup>3</sup> Changes in operating contract are considered at least in following cases, if other decision for some other cases is not proposed from the Credit Committee of the Bank:

- Review of repayment schedule, if the customer is not intended to pay the penalty for early repayment.
- Review of conditions of credit contract (interest rate, loan purpose, method of loan granting) according to the customer's application.
- Change of collateral, including changes in the terms of the contract of pledge or guarantee according to the customer's application, early full or partial release of collateral or guarantee, etc.
- The tariff does not refer to contract changes, in which the change is a result of the change of another contract.

<sup>4</sup> The existence of this tariff doesn't obligate the Bank to provide the required authorization and based on a number of objective and subjective factors the Bank may refuse the client's application without submitting any argumentations and justifications.