

PUBLIC OFFER

“ID Bank” CJSC (hereafter referred to as the Bank) has decided to improve lending conditions for the Bank’s borrowers whose loan agreements include the following provision:

“The Parties hereby accept and acknowledge that the loan interest rate has been set taking into account the Borrower’s creditworthiness, responsibility for the proper performance of obligations, and hereby come to an agreement that in the event that the Borrower exhibits the following behavior in accordance with the loan repayment schedule, the annual loan interest rate is subject to unilateral increase as follows: the annual interest rate of the Loan is increased by 1 (one) percentage point each time the Borrower fails to repay the loan within the term defined by the Agreement for the 1st, 2nd and 3rd time for 5 consecutive days or more; as well as in case the Borrower has subjectively classified loan obligations in the Bank and/or other banks and/or credit organizations, the Bank has the right to unilaterally increase the annual interest rate and set it in the amount of twice the reference rate of the bank interest set by the Central Bank of the Republic of Armenia. The Lender shall notify the Borrower of the change made in this clause within 7 days after the change.”

The foregoing provision is stated in all loan agreements as follows:

“The Parties hereby accept and acknowledge that the Loan interest rate has been set taking into account the Borrower’s creditworthiness, responsibility for the proper fulfilment of obligations, and hereby agree that in the event that the Borrower fails to repay the loan in accordance with the loan repayment schedule for the 1st, 2nd and 3rd time for 10 (ten) consecutive days and more within the term defined by the Agreement, the Bank has the right to unilaterally increase the annual interest rate by 1 (one) percentage point each time if the overdue liability (amount and/or interest on the unpaid loan or their total amount) exceeds AMD 10,000 (ten thousand).

In case the Borrower has subjectively classified loan obligations in the Bank and/or other banks and/or credit organizations, the Bank has the right to unilaterally increase the annual interest rate and set it in the amount of twice the reference rate of the bank interest set by the Central Bank of the Republic of Armenia. The Lender shall notify the Borrower of the change made in this clause within 7 days after the change.

After increasing the interest rate in the manner prescribed in this clause, the Bank has the right to unilaterally reduce the interest rate based on the Borrower’s application if the loan has been repaid without default within 6 (six) consecutive months after the interest rate increase.”

Given that the amendments improve the Borrower’s position, the terms and conditions of this offer shall be deemed accepted and approved from the moment the borrowers make the subsequent payment set forth in the repayment schedule of the loan agreement. The amendment to the loan agreement becomes effective from that moment and applies to the Borrower.