

**INFORMATION SUMMARY ON GENERAL TERMS AND TARIFFS OF OPENING «IDBUSINESS SHOPPY» OVERDRAFT**

GENERAL TERMS AND CONDITIONS OF OPENING AND MAINTENANCE OF OVERDRAFT				
1.	Customer	RA resident and RA non-resident legal entity or individual entrepreneur		
2.	Purpose	Overdraft provided through payment card for replenishment of working assets, current expenses and other business purposes		
3.	Minimum amount	500,000 AMD or equivalent foreign currency <sup>1</sup>		
4.	Maximum amount	50,000,000 AMD or equivalent foreign currency <sup>1</sup>		
5.	Currency	AMD, USD, Euro		
6.	Minimum and maximum term	6-36 months		
7.	Annual nominal interest rate	AMD	USD	EUR
	For overdraft provided under the “IDBusiness Shoppy” package <sup>2</sup>	14-18%	11-15%	11-15%
	For overdraft provided outside the scope of the “IDBusiness Shoppy” package	14.5-18.5%	11.5-15.5%	11.5-15.5%
8.	Annual effective interest rate	14.9-20.6%	11.6-17%	11.6-17%
9.	Application processing fee	N/A		
10.	Overdraft service fee	N/A		
11.	Overdraft withdrawal fee	<a href="#">According to business payment card information summaries</a>		
12.	Method of providing overdraft	Non-cash, through a payment card opened in the Bank		
13.	Payment card type and service conditions	<p>1) In the case of being provided within the scope of the “IDBusiness Shoppy” package, according to the provisions of the Information Summary of the “IDBusiness Shoppy” package provided to Corporate customers.</p> <p>2) In case of being provided outside the scope of the <a href="#">“IDBusiness Shoppy” package</a>, according to the conditions and tariffs set by the information summary of each card, posted at the following link: <a href="#">Information summary of Business cards</a></p>		
14.	Provision of bank-client system	Free		
15.	Connecting and activating the IDBusiness Mobile application	Free		
16.	Repayments of overdraft amount and interest	Mandatory monthly entries to the card account on or before the 15 <sup>th</sup> day of the given month, in the total amount of 10% of the overdraft used as of the last day of the previous month and the sum of accumulated interest, while repayment of the full amount of the overdraft at the maturity set by the overdraft agreement. Interest is repaid from the funds deposited on the card account in the amount of accumulated interest from each such entry.		
17.	Grace period <sup>3</sup>	Up to 45 days Interest may not be calculated against the non-cash overdraft amounts used during the previous month (except for card-to-card transfers, intrabank and interbank transfers within the RA and between own accounts) if the customer repays the used part of the overdraft in the specified manner before the 15 <sup>th</sup> of the following month.		
18.	Minimum period of business activity (continuous)	6 months		

<sup>1</sup> Foreign exchange rate calculation is based on the sale exchange rate set by the Bank for the given currency as of the date of approval of the application.

<sup>2</sup> In case of refusal from the "IDBusiness Shoppy" package during the overdraft period, the annual nominal interest rate of the overdraft is subject to revision.

<sup>3</sup> A grace period is only available for the Visa Platinum Business card.

19.	Other requirements to the borrower	The age of individuals with the status of individual entrepreneurs should not exceed 65 years at the maturity
20.	Requirements for the borrower's credit history	1) Absence of overdue/classified liabilities as of the date of receipt of the overdraft 2) Absence of more than 30 overdue days in total during the 12 months preceding the submission of the application
21.	Requirements for overdraft security	Security measures acceptable by the bank, including: <ul style="list-style-type: none"> <li>• Credit score</li> <li>• Real estate,</li> <li>• Vehicles,</li> <li>• Fixed and working assets,</li> <li>• Warranty,</li> <li>• Financial flows (future cash flows),</li> <li>• Guarantees,</li> <li>• Financial means</li> <li>• Other property or property rights not prohibited by RA legislation.</li> </ul>
22.	Loan to collateral (estimated liquid value of collateral) ratio	According to the decision of the authorized body of the bank, the maximum is 50-100%, depending on the type of collateral (for loans secured with property collateral). By the decision of the bank's competent body, the loan can be provided without property collateral or simultaneously with property collateral and other security (guarantee, future cash flows, property rights, etc.).
23.	Collateral insurance	The authorized body of the bank may by its decision require collateral insurance to be made from the balance of the loan or the estimated market/liquid value of the property.
24.	Penalties, fines	1) overdue overdraft amount penalty: 0.1% per day 2) overdue interest penalty: 0.1% per day
25.	Early repayment/contract termination fee	N/A
26.	Application acceptance and overdraft processing place	All branches of the Bank, the Bank's website (regarding acceptance of application)
27.	Positive factors	1) Good credit history, 2) Good score assessment 3) Sufficient financial condition, 4) Good reputation 5) Other factors
28.	Rejection factors	1) Bad credit history 2) Bad score assessment, 3) Existing restrictions in the field of ML/TF, 4) Insufficient financial condition 5) Provision of false or unreliable information 6) Provision of information that calls into question the return of the loan 7) Other factors
29.	Maximum term for making a decision	3-5 business days after submitting the complete set of documents required by the bank
30.	Deadline for informing the client about the decision	1 business day
31.	Term of validity of the decision	30 business days
32.	Re-approval of decision	A maximum of 2 times, subject to the overdraft conditions applicable as of the date of re-approval.
33.	Term of providing overdraft	A maximum of 3 business days after making the decision to provide the overdraft and after the complete submission of the necessary documents and the registration of the lien, if the customer did not express a desire to receive the overdraft later, observing the period specified in point 31.

34.	Extension of overdraft	The overdraft period can be extended by the Bank, under the conditions stipulated in the information summary of the given type of loan applicable in the Bank as of the date of extension of the loan period, in case of a positive position of the Bank.
35.	List of documents	The list of documents required for overdraft can be found at the following <a href="#">link</a> .

### General provisions

1. The client has the right to unilaterally terminate the loan agreement for no reason within 7 (seven) working days (thinking time) following its conclusion by returning the loan amount in full and paying interest accrued in accordance with the actual annual interest rate provided for in the agreement, for loans provided to ultra-small commercial organizations and individual entrepreneurs in the amount of up to 5,000,000 drams (including 5,000,000 drams of the Republic of Armenia) and (or) equivalent in foreign currency, as provided by the Law On state support to small and medium enterprises. In case of early repayment, the payments, generating the Bank's income, included in the total cost of crediting the borrower, shall be proportionally reduced. The client is entitled to fulfil (repay) his/her contractual obligations ahead of time irrespective of the fact of such right being prescribed by the loan agreement or not.
2. Real estate property mortgage agreement must be notarized. The property ownership right, mortgage right and other property rights are subject to state registration.
3. Loan interest amounts shall be calculated based on the nominal interest rate. Loan interest amount shall be calculated against actual loan balance.
4. The effective annual interest rate indicates the cost of the loan for the client given all the interest amounts and fees are repaid in the defined terms and amounts
5. The order of effective annual interest rate calculation is presented at the following link: [Guideline on effective annual interest rate calculation](#).
6. The lender has the right to unilaterally change the essential terms of the loan, including the interest rate of the loan, by giving the borrower 7 (seven) working days prior notice, or to request early partial or full repayment of the existing obligation, if:
  - in case of fluctuation of the US dollar exchange rate published by the CBA by more than 5 (five) percent compared to the time of signing the loan agreement and/or in case of a fluctuation of more than 3 (three) percent in the pawnshop repo rate published by the CBA compared to the time of signing this agreement,
  - in case of fluctuation of the public base interest rate used as the basis of the floating interest rate published by the bank by more than 2 (two) percentage points within a year (in the case of a floating interest rate),
  - in case of fluctuation of the Russian ruble exchange rate published by the Central Bank of Armenia by more than 10 (ten) percent compared to the time of signing the loan agreement,
  - in case of a more than 20 (twenty) percent fluctuation in the published prices of oil (BRENT) and gold on the international market compared to the time of signing the loan agreement,
  - In case of publication of negative GDP of RA,
  - In case of revocation of the license of any commercial bank of the Republic of Armenia by the CBA,
  - In case of an increase of more than 10 (ten) percent of the published RA unemployment index,
  - In case of a decrease of more than 10 (ten) percent in the published index of remittances from abroad to RA,
  - In case of declaration of war or war operations in RA or neighboring country/territories,
  - In case of declaring a state of emergency in RA,
  - In case of appointment of extraordinary parliamentary elections in RA,
  - in case of submission of an application (mandatory or voluntary) to declare the borrower or its founder bankrupt
  - in case of involvement of the borrower or the latter's founder as a suspect or accused in any criminal case or in case of initiation of a criminal prosecution against any of them,
  - in case of satisfaction of the request for confiscation of the amount exceeding AMD 1 million against the borrower or the latter's founder,
  - in case where a decision is made by the court on the imprisonment of the borrower's founder, founding guilty under criminal or civil code of the Republic of Armenia, the claim as a result of which exceeds AMD 1 million or there will be an imprisonment sentence

- In case of carrying out transactions with money laundering typologies or appearing on money laundering lists.
  - Termination of activity of a legal entity (individual entrepreneur) according to the State registry,
  - Termination /temporary suspension of the activity of a legal entity (individual entrepreneur) in accordance with SRC,
  - in the event of a 20% or more increase in the customer's credit burden after the date of signing the loan agreement, except for loans provided by the Bank,
  - in case of 30 or more overdue days in terms of obligations to the Bank during the last year,
  - in case of being classified in another financial institution,
  - in the case of a loss recorded by the borrower organization in the previous period with profit tax and/or audit report,
  - reduction of the equity capital of the borrower organization compared to the previous accounting period, according to the income tax and/or audit report,
  - in case of non-fulfillment and/or untimely fulfillment of tax obligations by the borrower,
  - in case of non-fulfillment/deficiency of the customer's obligations defined by the loan agreement, including violation of the covenants,
  - in the event that the borrower assumes new obligations without the written consent of the Bank, as a result of which the obligations to be paid monthly by the Borrower exceed 20 (twenty) percent of the Borrower's monthly repayments as of the date of signing the loan agreement,
  - in case of a decrease in the annual net profit of the borrower compared to the net profit of the previous period according to the income tax report,
  - if the borrower's average monthly turnover of the last 12 months is less than the average monthly turnover at the time of considering the loan application,
  - In the case of providing guarantees and warranties in the amount of more than 20% of the current liabilities of the borrower without the Bank's written consent.
7. The lender has the right to unilaterally change the essential terms of the loan, including the interest rate of the loan, by giving the borrower 7 (seven) working days prior notice, or to request early partial or full repayment of the existing obligation, if:
- in case of fluctuation of the US dollar exchange rate published by the CBA by more than 5 (five) percent compared to the time of signing the loan agreement and/or in case of a fluctuation of more than 3 (three) percent in the pawnshop repo rate published by the CBA compared to the time of signing this agreement,
  - in case of fluctuation of the public base interest rate used as the basis of the floating interest rate published by the bank by more than 2 (two) percentage points within a year (in the case of a floating interest rate),
  - in case of fluctuation of the Russian ruble exchange rate published by the Central Bank of Armenia by more than 10 (ten) percent compared to the time of signing the loan agreement,
  - in case of a more than 20 (twenty) percent fluctuation in the published prices of oil (BRENT) and gold on the international market compared to the time of signing the loan agreement,
  - In case of publication of negative GDP of RA,
  - In case of revocation of the license of any commercial bank of the Republic of Armenia by the CBA,
  - In case of an increase of more than 10 (ten) percent of the published RA unemployment index,
  - In case of a decrease of more than 10 (ten) percent in the published index of remittances from abroad to RA,
  - In case of declaration of war or war operations in RA or neighboring country/territories,
  - In case of declaring a state of emergency in RA,
  - In case of appointment of extraordinary parliamentary elections in RA,
  - in case of submission of an application (mandatory or voluntary) to declare the borrower or its founder bankrupt
  - in case of involvement of the borrower or the latter's founder as a suspect or accused in any criminal case or in case of initiation of a criminal prosecution against any of them,
  - in case of satisfaction of the request for confiscation of the amount exceeding AMD 1 million against the borrower or the latter's founder,
  - in case where a decision is made by the court on the imprisonment of the borrower's founder, founding guilty under criminal or civil code of the Republic of Armenia, the claim as a result of which exceeds AMD 1 million or there will be an imprisonment sentence

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- in case of 30 or more overdue days in terms of obligations to the Bank during the last year,
- in case of being classified in another financial institution,
- in the case of a loss recorded by the borrower organization in the previous period with profit tax and/or audit report,
- reduction of the equity capital of the borrower organization compared to the previous accounting period, according to the income tax and/or audit report,
- in case of non-fulfillment and/or untimely fulfillment of tax obligations by the borrower,
- in case of non-fulfillment/deficiency of the customer's obligations defined by the loan agreement, including violation of the covenants,
- in the event that the borrower assumes new obligations without the written consent of the Bank, as a result of which the obligations to be paid monthly by the Borrower exceed 20 (twenty) percent of the Borrower's monthly repayments as of the date of signing the loan agreement,
- in case of a decrease in the annual net profit of the borrower compared to the net profit of the previous period according to the income tax report,
- if the borrower's average monthly turnover of the last 12 months is less than the average monthly turnover at the time of considering the loan application,
- In the case of providing guarantees and warranties in the amount of more than 20% of the current liabilities of the borrower without the Bank's written consent,
- Compulsory confiscation actions were carried out against the borrower's property or any type of restrictions (ban, arrests) were applied in the amount of (contractual) Armenian drams or equivalent foreign currency. The average exchange rate established by the Central Bank of RA is taken as the basis for conversion calculations provided for in this subsection
- the borrower has reduced the amount of his authorized capital, terminated its activity, or significantly changed the nature of the activity it was carrying out at the time of signing the loan agreement (in the case of individual entrepreneur borrowers, this clause applies to the extent that it is applicable to an individual entrepreneur),
- the borrower's activities were hindered due to the loss of ownership rights to any property owned by it,
- any license, patent or other permission granted to the borrower (hereinafter referred to as the "License") has become invalid or the activity carried out on the basis of that License has been limited in any way, or the License granted to the borrower has undergone such changes that do not allow the borrower to continue its activities under the same conditions and in the same scope,
- A highly charged political situation has arisen in the Republic of Armenia, the Republic of Armenia has entered into a declared or undeclared war, large-scale military operations, uprisings or other political disturbances have occurred, except where such situation does not have a significant impact on the borrower's proper performance of its obligations under the loan agreement,
- a decision on reorganization, liquidation or insolvency has been made by the borrower's relevant management authority, or such events have occurred which, according to the current legislation, may cause such consequences,
- changes in the composition of the borrower's participants (shareholders, members), changes in their share ratio, any contracts concluded with third parties or other circumstances, as a result of which persons, other than those who had decision-making rights at the time of signing the loan agreement will receive decision-making rights in the Borrower's management bodies,
- The bank has reliable information that indicates the possible occurrence of such cases, which can significantly worsen the borrower's financial situation or make it impossible for the borrower to fulfill its obligations under the loan agreement,
- the borrower takes measures to resolve (dispute) any contract concluded with the Bank, including by court order,
- the performance of any obligation imposed on the borrower on the basis of the loan agreement, as well as any other agreement concluded for the purpose of ensuring the fulfillment of the obligations defined therein, becomes impossible due to its illegality,

- the loan agreement or any other agreement concluded for the purpose of ensuring the fulfillment of the obligations defined therein is recognized as invalid or is unsigned,
  - the borrower has terminated its business activities,
  - the borrower's auditors have issued a qualified audit opinion on any of the borrower's financial statements,
  - the mortgaged property insurance contract, which secures the fulfillment of obligations under the loan agreement has not been concluded, or the term of the mortgaged property insurance contract has not been extended, or the beneficiary was changed by the insurer under the insurance contract (in case of a mortgaged property insurance claim),
  - the borrower has obstructed the Bank's unconditional rights to verify the intended use of the Loan provided for by the loan agreement, moreover, in the terms of the loan agreement, obstruction means any prohibition, violation, omission, failure to provide information or provision of unreliable information, etc. by the borrower, so that the Bank is unable to use its rights.
8. In case of failure to perform interest and loan repayments on time the pledged property and/or monetary funds can be confiscated in an order prescribed by law, and the Bank shall send the information on the client to the credit bureau within a maximum of three business days, where the client's credit history is being shaped. The client has the right to receive his/her credit history free of charge once a year from the credit bureau.
  9. A bad credit history can prevent a client from receiving loans in the future.
  10. The borrower may be deprived of his/her rights to the property if he/she does not fulfill or improperly fulfills his/her obligations under the loan agreement.
  11. If the client fails to fulfil its obligations, the bank may pay off the obligations on the account of other property of the client if the collateral is not sufficient to do so, when paying off the obligations on the account of the collateral.
  12. While performing overdue obligations, the repayments shall be implemented in the following order: cost of confiscation, including litigation expenses (if applicable), interest penalty, penalty for principal loan amount, interest, service fee and commissions /if applicable/ and principal loan amount. The Lender is entitled to unilaterally change the order of repayments mentioned in this provision at any time.
  13. Disputes arising between the parties can be settled in a court proceeding or by the Financial system mediator (in the order prescribed by the RA law on "Financial system mediator"), located at 0010, Yerevan, 15 M. Khorenatsi St, "Elite Plaza" business center, 7th floor, e-mail – info@fsm.am, telephone – (+37460) 70-11-11, fax –(+37410) 58 24 21. Moreover, if the property claim does not exceed 250 000 (two hundred fifty thousand) AMD or equivalent in foreign currency, the decisions of the Financial System Mediator cannot be challenged by the Bank.
  14. For the purpose of due diligence of the client as defined by RA law on "Combating money laundering and terrorism financing", the Bank may require additional documents or information based on "Know Your Client" principle.
  15. According to the agreement with the USA based on the Foreign Account Tax Compliance Act (FATCA) the Bank may collect additional information for the purpose of identification of the fact of the client being a US taxpayer.
  16. The Client has the right to communicate with the Bank through a preferred means of communication: e-mail or regular post. The electronic means of communication is the most comfortable. It is available 24/7 and is free of the risk of losing information in paper as well as ensures confidentiality.
  17. The conditions of providing statements, their copies, references during the validity of the loan agreement can be found at the following link: [Information summary on tariffs](#).
  18. The list of branches and ATMs of the Bank, information on their locations and working hours can be found at the following link: [Branches and ATMs](#).
  19. Remote service is carried out by the bank through the IDBusiness Mobile application and Bank- client online system ([IDBusiness Online - https://online.idbank.am/](https://online.idbank.am/)). The procedure and conditions for the provision of remote banking services by the Bank are set out in the "[Public rules for the provision of remote banking services](#)".

**ATTENTION! THE BANK IS CONTROLLED BY THE RA CENTRAL BANK**