

IDBank reference rate (IBRR)

Effective starting from 01.07.2024

| Currency | IBRR | Effective until |
|----------|------|-----------------|
| AMD | 9.3% | 01.01.25 |
| USD | 3.9% | 01.01.25 |
| EUR | 2% | 01.01.25 |

METHODOLOGY

definition of IDBank reference rate underlying the definition of floating interest rates

Chapter 1. Purpose

1. The purpose of this methodology is to determine the procedure for calculating the IDBank reference rate (hereinafter referred to as "IBRR"), which will allow providing long-term credit facilities to customers, as well as control the timing risk of the Bank's assets and liabilities depending on possible changes in interest rates.

2. The calculation procedure and components of IBRR according to currencies

2. Based on the IBRR the basic interest rates for loans provided in AMD, USD and EUR with the Bank's own resources can be defined.

3. WAIR is the basis for calculating the IBRR for loans provided in AMD, US dollars and EUR.

Where:

- **WAIR** – is the weighted average interest rate of deposits attracted by commercial banks from physical entities for a term of “one to five years” for the corresponding currency published by the Central Bank of the RA rounded to 1 /one/ digit after comma.

The weighted average interest rate is published in "**Monetary and Financial Statistics**" section on the official website of the Central Bank of the RA

<https://www.cba.am/am/SitePages/statmonetaryfinancial.aspx>).

4. At the first publication of the IBRR on the basis of this methodology, as well as at each change of the IBRR as stipulated by the provision of clause 5, IBRR = WAIR.

Chapter 3. Definition and application of IBRR

5. The IBRR is set by the Bank twice a year, in May and November, based on the most recent relevant interest rates preceding the given month published by the Central Bank of the RA.

6. The IBRR is changed if the regular WAIR published for the periods specified in clause 4 has changed by 1% or more interest points for the AMD and by 0.5% or more interest points for USD and EUR compared to the previous IBRR published by the Bank.

7. If the Central Bank of the RA does not publish the weighted average interest rate of deposits attracted by commercial banks from physical entities for a term of “one to five years” within 6 months, the calculation of the IBRR for the loans provided in AMD, USD and EUR will be performed as follows:

$$\text{IBRR} = \text{WAIR}^* + \text{Correction factor}$$

Where:

- **WAIR*** – is the weighted average interest rate of deposits attracted by commercial banks from physical entities for a term of “181 days to 1 year” for the corresponding currency published by the Central Bank of the RA rounded to 1 /one/ digit after comma.
The “WAIR*” is published in "**Monetary and Financial Statistics**" section on the official website of the Central Bank of the RA
(<https://www.cba.am/am/SitePages/statmonetaryfinancial.aspx>).
 - **Correction factor** – the value “ $\text{WAIR}_{n-m} - \text{WAIR}_{n-m}^*$ ” as of the period preceding the moment of transition to alternative floating interest rate, **where:**
 - ✓ **n** is the moment of transition to the alternative floating interest rate,
 - ✓ **m** is the period preceding the moment of transition to the alternative floating interest rate during which the abovementioned interest rates have been published,
 - Incidentally, the correction factor is calculated only at the moment of transition to the alternative floating interest rate and is set as a constant value during the application of the alternative floating interest rate.
8. This methodology is valid for those loans and other lending instruments that were provided at a floating interest rate and were approved after 15/07/2022.