



# Gold Standard

Gold secured loans

Approved by resolution N 317-L of the  
Management Board of "IDBank" CJSC  
as of August 13, 2021  
Applied since August 18, 2021

The terms mentioned in the bulletin can have been amended.

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INFORMATION BULLETIN ON LOANS SECURED BY GOLD PLEDGE		
General provisions		
1.	Loan type	"Gold Standard"
2.	Purpose	other
3.	Currency	AMD, USD

4.	Minimum amount	AMD 30,000 or USD 60	
5.	Maximum amount	AMD 30,000,000 or USD 60,000	
6.	Provision method	AMD – non-cash USD – non-cash through a payment card (card loan)	
7.	Option 1		
7.1.	Maximum loan/collateral ratio	AMD	95% if the borrower meets the requirements stipulated in provision 9.1
			100% if the borrower meets the requirements stipulated in provision 9.2
		USD	90%
7.2.	Loan and interest repayments	Repayment of interest at the moment of receiving the loan, and of principal loan amount – at the end of term (discount)	
7.3.	Term	From 92 <sup>nd</sup> to 93 <sup>rd</sup> day inclusive	From 181 <sup>st</sup> to 183 <sup>rd</sup> day inclusive

7.4.	Annual nominal interest rate (according to currency and term)	AMD	11%	14%
		The interest rate can be defined at a rate 0,5% lower than the defined interest rate for AMD loans if the loan is processed at 95% loan/collateral ratio but the borrower meets the requirements stipulated in provision 9.2.		
		USD	8%	10%
7.5	Annual effective interest rate 1	AMD	20.85% - 21.49%	20.10% - 20.76%
		USD	17.74%	15.62%
7.6.	One-time loan provision commission at the moment of provision of the loan (from the contractual loan amount)	2%		
7.7.	Monthly loan account service fee	Not defined		
8.	Option 2			

8.1.	Maximum loan/collateral ratio	AMD	95% if the borrower meets the requirements stipulated in provision 9.1	
			100% if the borrower meets the requirements stipulated in provision 9.2	
		USD	90%	
8.2.	Loan and interest repayments	monthly repayment of interest, and repayment of principal loan amount – at the end of term (beneficial equal)		equal monthly payments (annuity)
8.3.	Term	from 122 <sup>nd</sup> to 180 <sup>th</sup> day inclusive		from 365 <sup>th</sup> to 1095 <sup>th</sup> day inclusive
8.4.	Annual nominal interest rate	AMD	18%	19%
		The interest rate can be defined at a rate 0,5% lower than the defined interest rate for AMD loans if the loan is processed at 95% loan/collateral ratio but the borrower meets the requirements stipulated in provision 9.2.		

		USD	14%	14%
8.5	Annual effective interest rate <sup>1</sup>	AMD	21.48% - 23.31%	21.02% - 23.08%
		USD	15.65%-15.99%	15.74% - 17.14%
8.6.	One-time loan provision commission at the moment of provision of the loan (from the contractual loan amount)	AMD		1%
		USD	0.3%	1%
<sup>2</sup> In case of crediting physical entities engaged in gold trade and/or production – AMD 0. In case of transfer of gold pledged loans from other banks or financial institutions – AMD 0, if the client submits a maximum 5 business days old loan payment receipt.				
8.7.	Monthly loan account service fee		not defined	
8.8.	Grace period for loan repayment <sup>3</sup>	AMD	not defined	repayment of only loan interest during the first 6 months of loan repayment,

		USD		repayment of only loan interest during the first 12 months of loan repayment
<p align="center">** In case of using the grace period for loan repayment the annual nominal interest rate shall be defined at the interest rate applied to the given option +1%</p>				

Option 3			
Maximum loan/collateral ratio	not limited		
Maximum limit of the loan	The client is provided with the amount of 100% of the assessed value of the collateral and the amount available to the client as a result of the Bank's internal assessment (maximum AMD 5 million)		
Repayment method of the loan and interest rate	in equal monthly installments (annuity)		
Terms	from 365 <sup>nd</sup> to 1095 <sup>th</sup> day inclusive		
Annual nominal interest rate	AMD	19.5%	
	USD	14.5%	

Annual actual interest rate	AMD	22.22% -23.69%
	USD	16.32%-17.72%
One-time loan disbursement fee at the time of loan provision (from the loan amount)***	1%	
<p>*** In case of crediting physical entities engaged in gold trade and/or production – AMD 0. In case of transfer of gold pledged loans from other banks or financial institutions – AMD 0, if the client submits a maximum 5 business days old loan payment receipt.</p>		
Monthly loan account service fee	not defined	
Requirements for the borrower	according to the Bank's internal evaluation system	

Borrower		
Requirements for the borrower	9.1	<p style="text-align: center;">In case of 95% loan/collateral ratio</p> <ul style="list-style-type: none"> <li>- physical entity whose age shall not be less than 18 years as of the day loan provision and not exceed 70 years as of the loan repayment day,</li> <li>- the borrower must not have overdue loan obligations as of the moments of loan provision,</li> </ul>

			<ul style="list-style-type: none"> <li>- the borrower must not have loans classified as stricter than “controlled” for the 6 months preceding the loan provision</li> </ul>
		9.2	<p style="text-align: center;">In case of 100% loan/collateral ratio</p> <ul style="list-style-type: none"> <li>- physical entity whose age shall not be less than 18 years as of the day loan provision and not exceed 70 years as of the loan repayment day,</li> <li>- the borrower must not have overdue loan obligations as of the moments of loan provision,</li> <li>- the borrower must not have loans classified as stricter than “controlled” for the 12 months preceding the loan provision</li> <li>- the sum of overdue days of principal loan amount and/or interest amount repayments in terms of borrower’s previously received loans (credit line, overdraft, etc.) must not exceed 60 days for the 12 months preceding the loan provision</li> <li>- the borrower must have at least 6 months credit history</li> </ul>
Payment card terms and conditions			
10.	Card type		ArCa Classic
11.	Fee for cash withdrawal from card account		not charged
12.	Annual card service fee		not charged
13.	Other card service tariffs		according to tariffs of the given card applied in the Bank at Information bulletin of ArCa Classic cards



FINES, PENALTIES

14.	Daily penalty in terms of overdue loan	0.10%
15.	Daily penalty in terms of overdue interest	0.10%
16.	Early loan repayment penalty	not defined
Requirements for the subject of pledge		
17.	- standardized gold bullions, gold jewelry, gold scrap can be considered as subject of pledge	
	- white gold, jewelry items consisting of white gold for more than 30 percent or more, or jewelry items that cannot be evaluated without the weight of white gold cannot be subject of pledge,	
	- no lending is provided against artistic value of gold items, precious and semi-precious stones attached to gold items	
18.	Evaluation of subject of pledge is performed by the jeweler-expert according to tariffs applied at the Bank at the given moment.	

Required documents		
19.	1) identity document (original)	
	2) social card /public services number/ ID card or number of statement on absence of public services number (if any) (original)	
	3) in case of physical entities engaged in gold trade and/or production the physical entity shall submit the rental agreement of the place of activity as a proof of activity (notarization is not required)	
	4) email address of the client	
Other conditions		
20.	Positive factors for loan provision	Compliance with the Bank's lending conditions.
21.	Loan rejection factors	1) presence of overdue loan obligations at the moment of loan provision
		2) failure to submit required documents

		<p>3) doubts over the entity or identity document of the latter</p> <p>4) doubts about the gold fineness during the authentication of the subject of pledge, submission of false or unreliable information or false documents</p> <p>5) availability of such information about the client which questions the information submitted/declared by the client to the Bank</p> <p>6) availability of such information about the client which questions the return of the loan</p> <p>7) absence of the email address of the client</p>
22.	Maximum decision-making term	loan application submission day
23.	Term of notifying the client of the decision	loan application submission day
24.	Loan provision term	loan application submission day
25.	Place of loan application acceptance	all branches of the Bank, except for “Vardanants” and “Centre” branches

26.	Place of loan processing and provision	all branches of the Bank, except for “Vardanants” and “Centre” branches
In case of gold pledged card loans no payment card shall be provided to the client if the client has an acting payment card within the scopes of the given product.		
After complete repayment of the loan the subject of pledge shall be returned to the pledgor within one business day. In case if the client does not show up to receive the pledged gold items after complete repayment of the loan, a commission in the amount of AMD 100 per day shall be charged starting from the 30 <sup>th</sup> day.		

<sup>1</sup> THE INTEREST AMOUNTS OF THE LOAN ARE CALCULATED BASED ON THE NOMINAL INTEREST RATE. THE INTEREST AMOUNT OF THE LOAN IS CALCULATED ON THE ACTUAL LOAN BALANCE AND THE EFFECTIVE ANNUAL INTEREST RATE INDICATES HOW MUCH THE LOAN WOULD COST THE CLIENT IN CASE OF MAKING ALL THE INTEREST AMOUNT AND OTHER FEE PAYMENTS AT DEFINED PERIODS AND AMOUNTS.

## GENERAL PROVISIONS

1. Before the conclusion of a loan agreement, in case of consumer loans up to AMD 15 million, the Bank provides the client with the individual sheet of essential conditions of the loan which contains the individual conditions of the loan to be provided to the client.
2. The client is entitled to unilaterally terminate the loan agreement without any reason within 7 (seven) business days (time to think) following the conclusion of the latter by returning the received loan amount in full and paying interest accrued in accordance with the actual annual interest rate provided by the agreement.
3. 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.
4. 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



5. Loan interest amounts shall be calculated based on the effective interest rate. Loan interest amount shall be calculated against actual loan balance.
6. 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.
7. The order of effective annual interest rate calculation is presented at the following link [Guideline on effective annual interest rate calculation](#).
8. In case of foreign currency loans the effective interest rate calculation is based on the exchange rate published on the official website of the RA Central Bank at the moment of provision of loan. The effective interest rate can change depending on the change of the exchange rate published on the official website of the RA Central Bank.
9. In case of foreign currency loans the interest amounts calculated towards the principal loan amount can also be paid in the loan currency upon the client's request.
10. In case of foreign currency loans the changes of foreign currency exchange rates can impact the loan repayments.
11. 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 about 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 obtain his/her credit history from the credit bureau free of charge once a year.
12. A bad credit history can prevent a client from receiving loans in the future.
13. The borrower can be deprived of his/her ownership right towards the property (apartment or house) if the former fails to perform or improperly performs the obligations under the loan agreement.
14. In case if the collateral is not sufficient to fulfil a client's obligations at the expense of the collateral in the event of failure to fulfil obligations by the clients, the obligations can be repaid at the expense of other property of the client.
15. 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.
16. 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](mailto:info@fsm.am), telephone – (+37460) 701111, fax –(+37410) 582421. Moreover, if the property claim does not exceed AMD 500,000 (five hundred thousand) or its equivalent in a foreign currency, the decisions of the Financial System Mediator cannot be challenged by the Bank.
17. For the purpose of proper study 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.

18. 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.

19. 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.

20. The conditions of providing statements, their copies, references during the validity of the loan agreement can be found at the following link: [Tariffs](#).

21. 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](#).

22. Remote servicing by the Bank is provided through the IDBanking.am online system. The order and tariffs on rendering remote servicing are presented in “Public terms on rendering remote banking services”.