

INFORMATION SUMMARY	
Type	IFAD Danida Horticulture Loans
Loan purpose	Establishment of new orchards and technological modernization of existing orchards*
Loan currency	Armenian dram
Borrower	RA resident natural person aged 18-65, RA resident legal entity, private entrepreneur
	! Target clients are business entities submitting a subproject to establish 0.3 - 3 ha of grape, apple, apricot, peach, pear, plum and prune, walnut orchards or to technologically modernize the existing orchard(s) in the target regions
Loan term	24-120 months
	! The maximum terms of Horticultural Program Subloans are set for the following 2 cases • In cases where working capital amounts to up to 20% of the loan amount, the maximum loan term may be the full yield period of the specific fruit type + 3 years. • In cases where working capital amounts to more than 20% of the loan amount, the maximum loan term may be the full yield period of the specific fruit type + 1 year.
Grace period for loan principal payment	0-84 months
	! The following grace periods are set for the principal amount of sub-loans: • In case of establishing new plantations, the grace period of the sub-loan will be the period until the orchard reaches full yield, plus the period of consumption at the best price. • In case of technological modernization of existing fruit orchards, the period of consumption up to the harvest period plus the best price - a maximum of 12 months. • In case of technological modernization of existing newly planted orchards, the period until the orchard reaches full yield plus the best price consumption date.

Loan amount	1,000,000 – 70,000,000 Armenian dram**		
Nominal annual loan rate /fixed/	10%		
Effective annual interest rate	10.44 - 11.07%		
Loan granting and servicing	Not defined		
Penalty on overdue principal	0.1% daily		
Penalty on overdue interest	0.13% daily		
Loan prepayment penalty	Not defined		
Security instrument/Pledged object	1,000,000-3,000,000 AMD	3,000,001-10,000,000 AMD	✓ Real estate (building) and/or vehicle*** (The mortgage agreement is notarized),

	✓ Guarantee of at least 1 individual (18-65 years old) or private enterprise with no current overdue liabilities, ✓ The guarantor must be the owner of real estate or have a registered salary. ✓ The total number of days of overdue liabilities of the guarantor for the last year must not exceed 30 days.	✓ Guarantees from at least 2 individuals (18-65 years old) or private enterprises with no current overdue liabilities ✓ At least one of the guarantors must be a real estate owner or have a registered salary. ✓ The total number of days of overdue liabilities of each guarantor for the last year should not exceed 30 days. ✓ Other security means may be provided by decision of the Credit Committee.	✓ By the decision of the Credit Committee, other collateral may also be provided. *** A vehicle whose production date at the time of pledge shall not be older than: A vehicle whose production date at the time of pledge shall not be older than: ✓ for cars of Russian production: 5 years, ✓ For cars manufactured in other countries: 10 years.
! The car is subject to mandatory "Casco" (physical damage and theft) insurance in favor of the OrganizationCompany, at least in the amount of the loan amount and subject to renewal of the insurance contract every year during the entire term of the loan.			
Loan/Pledge maximum value	Maximum of 70% of the estimated market value of the Collateral.		
Collateral valuation	The collateral is subject to valuation by an independent property valuation agency cooperating with the Bank and/c depending on the loan amount. The valuation by a bank employee is carried out free of charge.		

Repayment method	✓ Annuity /equal monthly payment of principal and interest/ ✓ Differentiated/ Equal monthly payment of principal and monthly payment of interest/ ✓ Individual payment schedule Payment method : free or private
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*** Eligible (acceptable) investments for financing under the Horticulture Loan Product include the following eligible investments/expenses:**

Fixed assets

- ✓ Grape, apple, apricot, peach, plum, walnut and pear planting material;
- ✓ Irrigation systems;
- ✓ Hail, frost, frost and bird protection;
- ✓ Equipment and mechanisms necessary for planting, caring for and cultivating the garden, including garden plows (only for vineyards),
- ✓ Garden plow and garden cultivator (only for vineyards),
- ✓ Tractors of medium and small power,
- ✓ Tractor attachments (sowing and loosening plows, furrowing hoes, garden cultivators, garden cultivators, garden chisels, roller or cross-bar, levelers, self-propelled or trailed sprayers, planters (only in the case of garden planting, fertilizer spreaders)
- ✓ Backpack sprayers,
- ✓ Garden cultivators, harrows, harrows, inter-plant cultivators, etc.,
- ✓ Trailers (carriages) and cargo compartments (bunkers)
- ✓ Other equipment, (e.g. equipment, tools for storage, preservation, transportation);

Working capital:

- ✓ Agricultural work;
- ✓ Vaccines, mineral and organic fertilizers;
- ✓ Pesticides and other agrochemicals;
- ✓ Irrigation costs;
- ✓ Other expenses.

Introduction

**** The total balance of loans provided to the same borrower (including affiliated persons) cannot exceed 70 million AMD.**

1. Services provided by third parties and their fees are:

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In the case of mortgage of real estate, including land:

- ✓ Certificate of real estate restrictions: 10,000 AMD,
- ✓ State registration fee for pledge: 2,000-26,000 AMD,
- ✓ Notary certification fee: 1,500-20,000 AMD,
- ✓ Property valuation fee: AMD 15,000-25,000.

In case of car mortgage:

- ✓ Certificate of vehicle restrictions: 3,000-4,000 AMD,
- ✓ State registration fee for pledge: 2,000-3,000 AMD,
- ✓ Collateral insurance in the amount of 2.5% of the loan amount,
- ✓ Notary certification fee: 11,000-12,000 AMD,
- ✓ Property valuation fee: starting from 5,000-20,000 AMD.

2. Regardless of the rates of payment of third parties specified in these terms, the fees for services provided by the latter may change.

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3. Loan interest is calculated on the loan balance based on annual 365-day calculation.

4. The loan is provided in a non-cash form.

5. The list of required documents, as well as the list of insurance companies and independent appraisers cooperating with the Bank, are defined in separate Appendices.

6. The loan is provided in the following branches of the Bank: "Hin Nork", "Shrjanayin", "Avan", "Davtashen", "Movses Khorenatsi", "Sebastia", "Komitas", "Baghramyan", "Tumanyan", "Erebuni", "South-Western", "Shengavit", "Alek Manukyan", "Armavir", "Artashat", "Masis", "Goris", "Gyumri", "Vanadzor", "Abovyan", "Hrazdan", "Echmiadzin", "Martuni", "Sevan", "Gavar", "Ani", "Ashtarak", "Ijevan", "Vedi", "Artik", "Yeghegnadzor", "Kapan", "Ani", "Charentsavan",

7. The factors for making a positive decision to grant a loan are:

- ✓ Compliance of the borrower, collateral and guarantor with the requirements set forth in this document.

- ✓ The borrower must not have overdue credit liabilities at the time of loan disbursement,
 - ✓ The borrower shall not have overdue liabilities as of the date of application submission and the total amount of overdue liabilities during the last year must not exceed 30 days.
8. The factors for loan rejection are:
- ✓ Non-compliance of the Borrower and/or Collateral and/or Guarantor with the requirements set forth in this document.
9. After submitting the required documents, a decision will be made on the loan application and the Borrower will be notified within 5 business days.
10. Loan disbursal within 2 business days after submitting all the required documents.
11. Any amount deposited for the purpose of loan repayment shall, as a rule, be directed by the Bank to the repayment of the amounts payable by the Customer to the Bank under the Loan Agreement, including penalties, service fees, interest, and the Loan amount, at the time of deposit. The Bank has the right to establish a different order of amounts payable in the agreement concluded with the Customer.
12. Tariffs for non-financial services, including the terms for providing statements, copies of contracts and other information, are published on the Bank's official website www.fastbank.am, as well as posted at the Bank's locations.
13. **IN THE EVENT OF EARLY CREDIT PAYMENT BY THE CUSTOMER, THE FOLLOWING ARE PROPORTIONALLY REDUCED: INTEREST, INTERMEDIARY FEES AND SERVICE FEES (IF ANY), AS WELL AS PENALTIES/PENALTIES (IF ANY) FOR TRANSFERS MADE FOR THE PURPOSE OF CREDIT PAYMENT AND/OR INTERMEDIARY FEES CHARGED FOR OTHER OPERATIONS, MAINTENANCE OF ACCOUNTS OPENED FOR THE PURPOSE OF CREDIT PAYMENT THE FEES PAID TO THIRD PARTIES FOR THE NOTARY OF THE TRANSACTION, STATE REGISTRATION OF THE PURCHASED PROPERTY AND ASSESSMENT ARE NOT SUBJECT TO REDUCTION.**
14. **ATTENTION: IN THE EVENT OF FAILURE TO PAY INTEREST, LOAN AMOUNT, AND MAINTENANCE FEES ON TIME, THE PLEDGED PROPERTY MAY BE SEIZED IN ACCORDANCE WITH THE PROCEDURE ESTABLISHED BY LAW.**
15. **IN THE EVENT THAT THE AMOUNT RECEIVED FROM THE REALIZATION OF THE PLEDGED PROPERTY IS LESS THAN THE TOTAL AMOUNT OF THE CLAIM SECURED BY THE PLEDGED PROPERTY AND THE COSTS OF REALIZATION OF THE PLEDGED PROPERTY, THEN THE CREDITOR HAS THE RIGHT TO RECEIVE THE DEFICIENCY AMOUNT FROM THE BORROWER'S OTHER PROPERTY.**
16. **ATTENTION: IN THE EVENT OF YOUR FAILURE TO PERFORM OR IMPROPERLY PERFORM THE OBLIGATION, THE BANK WILL SEND THESE DATA TO THE ACCRA CREDIT REPORTING CREDIT BUREAU AND THE CB CREDIT REGISTER, WHERE YOUR CREDIT HISTORY IS FORMED. YOU HAVE THE RIGHT TO OBTAIN YOUR CREDIT HISTORY FROM THE CREDIT BUREAU ONCE A YEAR FREE OF CHARGE. WARNING: A BAD CREDIT HISTORY CAN PREVENT YOU FROM OBTAINING A LOAN IN THE FUTURE.**
17. **ATTENTION: LOAN INTEREST IS CALCULATED ON THE BASIS OF THE NOMINAL INTEREST RATE, WHILE THE ANNUAL ACTIVE INTEREST RATE SHOWS HOW MUCH THE LOAN WILL COST IF THE INTEREST AND OTHER PAYMENTS ARE MADE WITHIN THE SPECIFIC PERIOD AND**

IN THE AMOUNTS SPECIFIED. THE ANNUAL ACTIVE INTEREST RATE CALCULATION PROCEDURE IS POSTED ON THE BANK'S OFFICIAL WEBSITE: www.fastbank.am.

18. THE EXCHANGE RATE AS THE BASIS FOR CALCULATING THE ANNUAL ACTUAL INTEREST RATE, ITS PUBLICATION DATE, AS WELL AS THE FACT THAT THE ANNUAL ACTUAL INTEREST RATE MAY CHANGE DEPENDING ON THE CHANGE IN THE EXCHANGE RATE PUBLISHED ON THE OFFICIAL WEBSITE OF THE CENTRAL BANK OF THE REPUBLIC OF ARMENIA.
19. ATTENTION: YOU HAVE THE RIGHT TO CONTACT THE BANK AT YOUR PREFERRED METHOD, WHICH YOU CAN FIND ON THE OFFICIAL WEBSITE: <https://www.fastbank.am>. THE BANK IS OBLIGED TO PROVIDE THE BORROWER VIA ELECTRONIC COMMUNICATION WITH WRITTEN INFORMATION ON THE CONSUMER'S OBLIGATIONS AND DEFAULTS (PAYMENTS) ARISING FROM THE CONTRACT, WITHIN THE PERIOD SET FORTH IN THE CONTRACT, NOT EXCEEDING ONE MONTH.
20. ATTENTION: THE BANK WILL PROVIDE YOU WITH THE MANDATORY INFORMATION ELECTRONICALLY. RECEIVING INFORMATION ELECTRONICALLY IS THE MOST CONVENIENT. IT IS AVAILABLE 24/7, FREE FROM THE RISK OF LOSS OF PAPER INFORMATION AND ENSURES CONFIDENTIALITY. YOU HAVE THE RIGHT TO OPT OUT OF COMMUNICATING WITH THE BANK ELECTRONICALLY, PROVIDED THAT YOU WILL RECEIVE MANDATORY SUBMISSION INFORMATION BY POST OR OTHER MEANS OF COMMUNICATION.
21. ATTENTION: YOUR "FINANCIAL INFORMATION BOOK" IS AN ELECTRONIC SYSTEM THAT MAKES SEARCHING FOR SERVICES OFFERED TO INDIVIDUALS, COMPARISON AND CHOOSING THE MOST EFFECTIVE OPTION FACILITATED FOR YOU:
22. ATTENTION: BEFORE SIGNING THE AGREEMENT, THE BANK WILL PROVIDE YOU WITH AN INDIVIDUAL SHEET OF ESSENTIAL AGRICULTURAL LOAN TERMS, WHICH WILL PRESENT THE INDIVIDUAL TERMS OF THE LOAN TO BE PROVIDED TO YOU.
23. IN THE EVENT OF THE BORROWER'S FAILURE TO FULFILL CREDIT OBLIGATIONS, THE BANK HAS THE RIGHT TO DEMAND THE GUARANTEE TO FULFILL CREDIT OBLIGATIONS, FAILURE TO FULFILL THE GUARANTEE'S CREDIT HISTORY WILL DETERMINE AND IT IS POSSIBLE THAT HE WILL BE DEPRIVED OF HIS OWN PROPERTY.
24. IN THE EVENT THAT THE AMOUNT RECEIVED FROM THE REALIZATION OF THE PLEDGED PROPERTY IS LESS THAN THE TOTAL AMOUNT OF THE CLAIM SECURED BY THE PLEDGED PROPERTY AND THE COSTS OF REALIZATION OF THE PLEDGED PROPERTY, THEN THE CREDITOR HAS THE RIGHT TO RECEIVE THE DEFICIENCY AMOUNT FROM THE BORROWER'S OTHER PROPERTY.