Information on the Loans under the Accessibility Act

The European Accessibility Act (EAA) aims to enhance accessibility for financial services, including credit facilities, ensuring that individuals with disabilities can use them independently and effectively.

This information sheet describes the main contract terms and services related to credit facilities, describing key features and functions so that all our customers can understand, use and manage them independently and effectively.

Where legally necessary, specific legal terms may be used. These are explained appropriately.

This information sheet is for informational purposes only. Legally, the terms of the credit agreement you sign with the Bank apply.

1. What is a credit facility?

A credit facility is an agreement with a Bank that lets you borrow money when you need more money than you currently have. You can use the money and pay it back later, usually with interest.

2. Types of Credit Facilities?

- Mortgage Loan - Loans for buying property like a plot of land, a house or an apartment, repaid over a long period. The Bank is secured with the property.
- Other Consumer Loan – A loan taken for another purpose and no property is used as collateral, it is considered another consumer loan.

Loans can be used for buying a house, car, education, health or business needs.

3. What is interest paid?

When you get a loan, interest paid is the extra money you pay for borrowing from the Bank.

Interest is usually calculated as a percentage of the loan balance or outstanding amount. You must repay both the loan amount borrowed and the interest. This means you repay more than you borrowed.

4. Types of Interest

- Fixed Interest Rate:
  The interest rate and installments remain the same for the entire loan term.
- Variable Interest Rate:
  The interest rate of your loan may change over time and come go up or down. You agree with the Bank that the loan's interest rate depends on a published benchmark rate. When the benchmark changes, so does the interest rate, which affects how much you need to repay.
- Mixed Interest Rate:
  Combines a fixed rate for an initial period with a variable rate for the remaining term.

AstroBank

5. What other costs may apply?

In addition to interest, other costs may apply. These are agreed upon with you. Examples of the extra costs can be processing fees or late payment penalties.

6. What is an Overdraft

An overdraft is when a Bank allows you to spend more money than you have in your account, based on an agreement and approval by the Bank. This is a loan from the Bank, and the Bank charges fees and interest for using the overdraft.

7. How do you repay the loan?

Repayment is according to the terms of the loan agreement contract. Most often, this is done through monthly installments. The repayment period is the time you must pay back the loan, like months or years.

8. Can you repay the loan early?

You have the right to repay the loan early. In some cases, according to the type and terms of your loan, the Bank may charge early repayment fees.

9. Do you have the right of withdrawal?

In certain cases, you can withdraw from a loan contract. The contract then becomes void. You must return the disbursed amount to the Bank within 30 days.

10. When do you get a loan?

You can apply for a loan at a Bank branch. You must provide certain documents and information. The Bank will assess your creditworthiness and can only grant the loan if you can afford the repayments.

11. Why is collateral required?

A loan may be secured or unsecured. Secured loans need a collateral (something valuable) like a house or a car as a guarantee. If you do not repay the loan, the Bank can use the collateral to get its money back. Collateral may include assets or guarantees.

Unsecured loans do not need a guarantee but may have higher interest rates.

12. What is a guarantee?

In a guarantee, another person agrees to pay the loan if the borrower cannot. A guarantee helps the Bank feel more secure when lending money.

13. What happens if you do not repay loan installments?

If you do not pay for your loan installments, the Bank may take action to recover the money. You may have to pay extra charges for missing payments. The Bank sends warning letters and contacts you and your guarantors and may discuss repayment options.

If payments continue to be missed the Bank could take legal steps. If you still do not pay, the Bank may enforce collateral. Additional costs such as reminder fees and default interest may apply.