


GENERAL INFORMATION ON HOUSING CONSUMER LOANS WITH LIEN RIGHTS AGREED FOR NATURAL PERSONS WHO MATERIALIZE THEIR REGULAR INCOME IN A EURO-AREA MEMBER STATE

1. Information about the credit institution		
Name of credit institution	Privredna banka Zagreb d.d.	
Activities	Provision of banking and financial services in accordance with the Law on Credit Institutions	
Address	Radnička cesta 50, Zagreb	
Phone no.	01 636 0000	
e-mail	pbz@pbz.hr	
Fax no.	01 636 0063	
Web page	www.pbz.hr	
Court register (ID) number:	The Bank is registered at the Commercial Court in Zagreb under the number 080002817	
Operating license:	The Bank operates on basis of the operating license issued by the Croatian National Bank.	
2. Credit institution authority		
Name of authority	Croatian National Bank	
Address	Trg hrvatskih velikana 3, Zagreb	
Web page	www.hnb.hr	
3. Product main feature description		
Loan type	Housing consumer loan.	
Currency	The loan may be granted with EUR currency clause.	
Loan users	<p>Natural persons (consumers) – non-residents residing in an euro-area* EU member state or residents** who materialize regular income in EUR in an euro-area EU member state.</p> <p>The loan user may be the aforementioned natural person (consumer) who meets the loan terms and conditions as pursuant to the Bank's rules, and who, together with the loan application, has submitted documents required for loan solvency assessment, for providing proof of loan purpose, as well as other documentation for the loan materialization, where needed, provided that the minimum age at loan application has to be 30 years and the maximum age at the final loan maturity may be 60 years.</p> <p>*19 euro-area member states are: Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Portugal, Slovakia, Slovenia and Spain</p> <p>** Under the Foreign Exchange Act residents are understood as natural persons with a place of residence in the Republic of Croatia or natural persons staying in the Republic of Croatia based on a valid residence permit for a minimum period of 183 days, except diplomatic and consular representatives of foreign countries and their family members. All other natural persons are understood to be non-residents.</p>	
Loan purpose	<p>Purchase of a housing property in the Republic of Croatia (apartments, family homes including respective plots, housing properties under construction), with mandatory self-contribution of the loan user amounting to a minimum of 30% of the purchase price.</p> <p>The loans may be granted for the purchase of garages, parking lots, garage parking lots and/or storage facilities, provided that the loan user has previously or simultaneously materialized a loan for the purchase of a property as referred to hereunder. The loans may be used to finance holiday condos, holiday homes and cottages.</p>	
Loan amount	Mortgage loans	20.000 - 350.000 EUR
	The loan amount depends on the total exposure towards the Bank and the estimated value of the property.	
Duration/Tenure	<p>5 - 30 years,</p> <p><i>The loans which are granted:</i></p> <p>- to non-residents can be granted for a maximum repayment of up to 20 years</p> <p><i>It is possible to agree a 12-month grace period.</i></p>	
Interest rate	INTEREST RATES FOR HOUSING LOANS WITH MORTGAGE	
	FIXED INTEREST RATE FOR THE ENTIRE REPAYMENT PERIOD	
	Interest rate and APRC	3,98% annually, fixed (APRC 4,15%) ¹



	<p>¹ APRC is calculated for the loan amount of EUR 100,000.00 and the repayment period of 20 years, mentioned fixed interest rate, annual property insurance policy premium amounting EUR 38 and property valuation cost amounting EUR 275. The APRC calculation includes the interim interest* for a period of a month.</p> <p>The exact calculation of the APRC will be obtained by the client in the form of European Standardised Information Sheet (ESIS), which will be handed to him as part of pre-contractual documentation.</p> <p><i>*Interim interest is equal as regular interest; it is calculated from the beginning of a loan drawdown to the transfer of the loan into repayment or into a grace period.</i></p>
IR calculation method	Decursive proportional calculation method
Collaterals	<ul style="list-style-type: none"> • Promissory note issued by all loan participants (loan user, co-debtor) and attested (solemnized) by a public notary, • Lien rights for the financed property acceptable for the Bank exclusively and • Basic risk insurance policy for the property put under lien. <p>The Bank shall not accept collaterals which are located or issued outside the Republic of Croatia.</p>
Property valuation	<p>Property valuation is conducted in accordance with the regulation providing for the property valuation.</p> <p>The cost of property valuation is met by the loan user.</p> <p>Special benefit without the property valuation cost:</p> <ul style="list-style-type: none"> • until September 30, 2025, for loans financing residential property with a higher energy rating (A, A+ and B) • for loan users up to 45 years of age if it's financed residential property which is not higher energy rating.
Loan utilization method	The loan is discharged as a cashless transaction into the seller's account.
Ancillary services	<p>The loan user is under obligation to agree the property insurance policy for the entire duration of the mortgage, or during the existence of the claim.</p> <p>The Bank shall accept an insurance policy that meets the prescribed conditions, is issued by an insurance policy endorsed by HANFA and as listed below:</p> <p>ADRIATIC OSIGURANJE d.d., AGRAM LIFE osiguranje d.d., Allianz Hrvatska d.d., CROATIA osiguranje d.d., EUROHERC osiguranje d.d., GENERALI OSIGURANJE d.d., GRAWE Hrvatska d.d., Groupama osiguranje d.d, HOK - OSIGURANJE d.d., Hrvatsko kreditno osiguranje d.d., MERKUR OSIGURANJE d.d., TRIGLAV OSIGURANJE d.d., UNIQA osiguranje d.d., Wiener osiguranje Vienna Insurance Group d.d.</p> <p>If the loan user contracts the insurance policy through the Bank as an insurance distributor, the Bank will make an informative calculation of the insurance premium costs before the policy is contracted, as well as provide all other pre-contractual documentation in accordance with insurance regulations to decide on acceptance of insurance conditions.</p>
Loan repayment	The loan may be repaid in equal monthly annuities or monthly installments.
4. Loan expenses	
Loan application processing fee	No fee charged.
Early loan repayment fee	No fee charged.
Other expenses	<p>Public notary costs (solemnization of the loan agreement, solemnization of the Promissory note, attestation of cancellation clauses and the rest of credit documentation for which attested signing is prescribed by law), the cost of property valuation and cost of registration/cancellation of the lien rights to the benefit of the Bank for the property put under lien and the obtaining of a land registry excerpt, cost of risk insurance policy.</p> <p>If a standing order was agreed, the fee shall be charged as pursuant to the Fees in credit business with natural persons - citizens (Bank's Tariff).</p>
5. Risks	
Job or partial income loss risk	There is the risk related to the loan repayment due to possible income or partial income loss (job loss, personal income reduction etc.).
Consequences of contractual	If a client failed to meet contractual obligations, either due to losing their job or for another reason, prior to the cancelling of the agreement, the Bank will contact the Client and try to agree



obligation non-fulfillment	<p>with the Client on further steps for further collection of the loan for the initiation of enforcement proceedings or before the activation of the agreed loan repayment security instruments or before concluding the contract on the sale of a non-performing consumer loan, shall propose to the client one or more measures to facilitate repayment. In the event of non-payment of loan obligations, the Bank will also notify other participants in the loan (joint and several debtor, lien debtor, joint and several guarantor), in accordance with the regulations governing consumer lending.</p> <p>The penalty interest rate is determined for each half year, by increasing the reference rate by three percentage points, whereby the reference rate in force on 1 January shall be applied for the first half of the year and the reference rate in force on 1 July of that year shall be applied for the second half of that year. Reference rate is a rate that the European Central Bank applied to its last main refinancing operations or the marginal interest rate resulting from tender procedures for the variable rate for the last main refinancing operations of the European Central Bank.</p> <p>The reference rate of the European Central Bank for the reference period is published by the Croatian National Bank in the National Gazette, which is effective on January 1 and July 1.</p> <p>In case the loan agreement was cancelled and/or forced collection procedure was initiated, actual costs may occur for the loan user and they may be: the cost of initiating and managing forced collection procedure with a public notary, courts or Financial Agency (legal and public notary costs incurred during a seizure and/or litigation procedure, advances, including fees and fees calculated in accordance with tariffs, court fees), the cost of delivering legally enforceable seizures and other payments to Financial Agency, the cost of fees with the purpose of insurer status checks with HZMO (Croatian Pension Insurance Institute) and other registers, the cost of checking residence, as well as assets check with courts, legal entities and other authorities in accordance with the provisions of the Seizure Act managing records and registers, as well as any other costs incurred during liability collection, the type and amount of which are determined by regulations, depending on the type of procedure, i.e. respective court decision, possible litigation costs.</p>
Risks related to default status of the Loan user and persons related to them <i>(the effect of default or failure to meet financial obligations of the Loan user and persons related to them (e.g. solidary debtor, User as a trade owner) in the Bank and the members of the PBZ Group on the possibility to use financial services of the Bank and the members of the PBZ Group)</i>	<p>If the Loan user was in arrears by more than 90 consecutive days in the Bank and/or members of the PBZ Group (e.g. loan arrears, Bank and/or PBZ Card's card liability arrears etc.) the default status may be gained.</p> <p>In addition to the case described above, the Loan user <u>may gain the default status</u> also if:</p> <ul style="list-style-type: none"> - they are a solidary debtor in another loan arrangement where that loan's user is in arrears with their financial obligations with the Bank and/or members of the PBZ Group, and as the loan user they have been regularly settling all of their own financial obligations in the Bank and/or members of the PBZ Group. - if the User owns a trade which is in arrears with their financial obligations related to any service or product of the Bank and/or members of the PBZ Group. <p>If the Loan user gained the default status, they will have a limited possibility of use or individual financial services in the Bank and/or members of the PBZ Group will be completely unavailable to be used for a specific period of time (e.g. limited credit card (revolving/charge) spending or credit card blocked, limited card installment repayment, reduction or terminated of the granted overrunning amount and unavailability of being granted a loan).</p> <p>A solidary debtor in a loan where that loan's user gained the default status may be assigned the default status themselves although they have been regular in their settling of financial obligations with the Bank and/or members of the PBZ Group. In such a case the Solidary debtor, due to the arrears of the Loan user and persons related to them (trade), will be limited in their possibilities to use or individual financial services in the Bank and/or PBZ Group will be completely unavailable for use for them during a specific period of time.</p> <p>The default status may be assigned to the Solidary debtor even if the Loan user and the trade owned by the Loan user have been regular in the fulfillment of all of their financial obligations in the Bank and/or members of the PBZ Group if the Solidary debtor was in arrears regarding their financial obligations for more than consecutive 90 days in the Bank and/or members of the PBZ Group.</p>



	<p>A more detailed explanation is available in the Information for the clients (consumers) on the default criteria for fulfillment of financial obligations in the Bank and the members of the PZB Group as published on the web pages of the Bank www.pbz.hr (financial liability adjustment)</p>
6. Additional information	
Granting procedure for a housing consumer loan	<p>Submitting loan application: A client will submit their loan application in a Bank's branch office. Together with the application the client will submit required documentation necessary to estimate loan solvency (a credit report must be attached for non-residents, as well as loan users' payrolls containing information on employment, which both have to be translated into Croatian) and confirm the purpose of the loan. It is also necessary to attach the property value estimation for the property put under lien. The property valuation may be agreed in the Bank as well, in which case the estimate is performed by PBZ Card d.o.o.</p> <p>Loan application processing: After collecting documentation the Bank will process the loan application. During the processing, the Bank may use the client data it possesses, or the data provided by the client. If the Bank cannot estimate loan solvency or determine the acceptability of the collaterals on basis of the documents delivered, it may request from the client additional documentation. If the client did not want to provide information or documentation required for the estimate and loan granting, the Bank shall refuse the request for the loan agreement to be closed.</p> <p>After the loan application has been processed, the Bank shall adopt the decision on the granting or refusal of the loan. The Bank will notify the client of the rejection of the request. If the refusal decision is based on the results of the inspection of the credit register, the Bank shall inform the client that the decision on refusal is based on the data from the credit register, the results of the inspection and the details of the credit register from which the data was obtained.</p> <p>Contractual documentation drafting: After the loan has been granted, the Bank shall inform the client about it and prepare contractual documentation (loan agreement, promissory note etc.). Property insurance policies will be collected prior to the drafting of the contractual documentation.</p> <p>Closing loan agreement: The loan agreement is solemnized by a public notary together with the promissory note with the loan user, lien debtor present and solidary debtors, if any.</p> <p>Putting property under lien: A proposal for lien rights registration to the benefit of the Bank, together with a copy of the solemnized loan agreement a client shall present to the competent municipality court, its land registry department through a notary public electronically, to register the lien rights; after the registration of the lien rights and before the loan is discharged, it is necessary to deliver to the Bank the excerpt of the land registry containing the registered lien to the benefit of the Bank and the Decision allowing the registration of the lien to the benefit of the Bank.</p> <p>Loan utilization: After the client has submitted the solemnized copies of the loan agreement and all collaterals, on basis of the loan utilization documentation the Bank will make an order for the loan utilization, which will be signed by the client and the loan will be then discharged. A client may agree a standing order or a collection order with the Bank, by which the Bank shall be authorized to collect monthly loan installments from their transaction accounts opened with the Bank.</p>
Advisory services	<p>The Bank shall not provide advisory services as referred to in Art. 22 of the Housing Consumer Credit Act.</p>
Consumer protection	<p>A client may request council free of charge at Consumer protection counselling centers in the Republic of Croatia. More information may be found on the web pages of the Croatian Ministry of Economy and Sustainable Development, Central portal for consumers, e-mail: prava.potrosaca@mingor.hr</p>
7. Contractual parties' rights before and/or after the closing of the loan agreement	
Loan user	<p>RIGHT OF WITHDRAWAL: The loan user has the right to withdraw from an agreement within 14 days from the date of entering into the agreement without providing any reasons. When deciding on withdrawal, the loan user is obliged to notify the Bank before the expiry of the said 14 days. The loan user shall inform the Bank in written or on another durable medium available to the Bank, i.e. they are obligated to pay the principal and interest on principal to the Bank from the date of withdrawal of funds pursuant to the loan agreement up to the date of principal repayment without postponement and no later than 30 days after submitting the notice of withdrawal. If the loan user contracted ancillary loan-related service in addition to the loan agreement (e.g. an property insurance policy etc.), the loan user has the right to withdraw from the ancillary</p>



	service agreement within 14 days (in letter: fourteen) since the day the above notification was delivered as well, of which they have to inform the ancillary service provider in written.
The Bank	<p>The Bank shall retain its right to refuse a Client's loan application if, at the moment the application is submitted, or up until the moment the loan agreement is closed, the Bank assessed it did not want to close a loan agreement.</p> <p>Apart from the case above, the Bank retains its right to refuse a loan application, i.e. close a loan agreement also if the Client denied their consent for the processing of personal data intended for contractual relationship implementation, management and estimate of credit and other risks, as well as for other purposes as referred to in Art. 7 of the General terms and conditions of Privredna banka Zagreb d.d., Zagreb in providing loan services to natural persons. During the term of the consumer housing loan agreement the Bank shall be entitled to check purposeful utilization of the funds discharged as the housing consumer loan.</p>

8. Early repayment

A loan user is entitled to fully or partially repay the loan, as pursuant to the provisions of the Consumer Housing Credit Act. However, they shall submit a written request to the Bank in advance. After receiving the aforementioned request, the Bank shall deliver information required to consider the possibility of early repayment to the loan user.

It is possible to agree an automated partial loan repayment (reduced repayment period and the same annuity or the same repayment period and lower annuity) for loans with equal monthly annuities or monthly installments. The payment cannot be lower than the total amount of 3 annuities/installments' value, or higher than 20% of the principal undue as of December 31 of the preceding year.

9. General terms and conditions

The general terms and conditions for providing loan services to natural persons except articles 18., 26. to 33. and 37. as well as Articles 1., 2., 3., 18., 24. and 25. of the General terms and conditions of Privredna banka Zagreb d.d., which are in force at the time of the realization of the loan, are subject to change, and thus changed General Terms are applied *accordingly* to the loan in repayment.

10. Complaint procedure

If the loan user considers that the Bank does not comply with the conditions from the housing consumer loan agreement, the corresponding general conditions, the provisions of the law loan user may submit their written complaint in person in all branch offices (outlets) of the Bank, by mail to: Privredna banka Zagreb d.d., Customer Satisfaction & Complaints Office, Radnička cesta 44, HR-10000 Zagreb or by e-mail to pbz365@pbz.hr

The Bank must issue a Statement confirming complaint receipt to the consumer respond within the legal deadline.

11. Dispute resolution and out-of-court or alternative consumer dispute resolution approach

If a Loan user is dissatisfied with the Bank's reply or solution to their received complaint, they may inform the Croatian National Bank. In all disputes arising in connection with the application of the provisions of the housing loan agreement or relevant regulations, the loan user may submit their complaint or proposal for conciliation, i.e. they may initiate an alternative local and cross-border consumer dispute resolution in accordance with regulations in front of Mediation Center, Zagreb, Rooseveltov trg 2, e-mail: mirenje@hgk.hr (<http://www.hgk.hr/centar-za-mirenje/o-centru-zamirenje>).

The applicable law is the law of the Republic of Croatia. The Croatian language and the Latin alphabet are used. Any disputes arising from the Loan Agreement shall be subject to the jurisdiction of the court at the registered office of the Bank.

12. Contact

- toll free info phone:	- toll free info phone:
- e-mail:	- e-mail:
- Bank's web page:	- Bank's web page:
- Bank's branch office	- Bank's branch office

REPRESENTATIVE EXAMPLES OF THE TOTAL COSTS

	HOUSING LOAN WITH MORTGAGE
Requested loan amount	EUR 100,000.00
Repayment period	20 years
Loan application processing fee	No fee charged
Fixed interest rate	3.98%
APRC ¹	4.15%
Total interest amount for repayment period	45,513.73 EUR
Monthly annuity	604.93 EUR
Total amount to be repaid ²	146,548.73 EUR



¹APRC was calculated for the said loan amount and said repayment period, mentioned fixed interest rate, annual property insurance premium of EUR 38 and property valuation cost of EUR 275. The APRC calculation includes the compound interest for a period of a month. The exact calculation of the APRC will be obtained by the client in the form of European Standardised Information Sheet (ESIS), which will be handed to him as part of pre-contractual documentation.

²The total amount to be repaid includes the loan principal amount, interim interest amount for a period of a month and the interest calculated before maturity, which is to be paid until the final loan repayment by the loan user, annual property insurance policy premium amounting to EUR 38.00 and, property valuation cost of EUR 275.

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