

## General information for customers wishing to apply for a consumer loan

Do you plan to apply for a bank loan? The loan is an important obligation that may affect your and your family's welfare in the future, therefore it is understandable that you may have different questions. It is essential that you get answers to all your questions **prior to entering into a loan agreement**.

Here you will find some general information about the consumer loan.

### Main terms and conditions for granting the consumer loan

#### What can be the purpose of the consumer loan?

The credit may be used for:

- home renovation / furniture purchase;
- purchase of car;
- medical expenses;
- travelling;
- credit refinancing;
- environmentally friendly expenses;
- other consumption needs.

The loan should be used to satisfy your personal or your family needs.

#### What is the consumer loan term and a possible loan amount?

The loan term may not exceed 7 (seven) years.

The loan amount depends on the number of borrowers:

- amount may not exceed EUR 20 thou., if the loan is granted to one borrower;
- total amount may not exceed EUR 40 thou. if the loan is granted to spouses.

The loan amount and term are set individually having evaluated the family's financial possibilities to repay the loan.

#### How is the loan interest rate established?

The annual interest rate is established individually, having evaluated your financial possibilities, the loan amount, the credit market conditions, and how often and what our services you use.

Fixed interest will be established in the consumer loan agreement.

Fixed interest established on the agreement signature date will be individually applied to you within the entire term of the loan.

Interest will accrue on the outstanding principal balance of the loan considering that a year consists 360 days.

## What is the loan repayment procedure?

After disbursement of the loan by the bank, the monthly installments will be automatically debited on the agreed days from the bank account specified by you.

The loan repayment method: annuity.

### Monthly installment, if the loan is repaid under the **annuity method**



 Interest paid       Loan repaid

Annuity method: equal monthly payments consisting of the loan instalment plus the accrued interest. Initially, the accrued interest constitutes the larger share of payment. It gradually decreases and the loan instalment increases, while the amount of monthly instalment remains the same. Instalments are calculated considering that a month has the actual number of days.

The loan is repaid every month and, for example, if the loan term is 5 years, the number of payments is 60.

## Other important information related to borrowing

More information on services is available at [seb.lt](http://seb.lt). The website presents a loan calculator, loan fees and charges, the list of required documents, the consumer loan rules and other loan related information.

You will be able to evaluate your borrowing possibilities, apply for a loan, and register for a free consultation.

Our financial consultants use smart tools in order to make it easier for you to evaluate your financial possibilities and make more suitable decisions that guarantee your future.

After taking a decision on granting a loan, we will provide you with standard information on the most important terms and conditions of the agreement. Such information will help you compare different bank offers, evaluate the consequences of borrowing and decide on the loan agreement.

## How is the annual percentage rate of charge (APRC) calculated?

The annual percentage rate (APR) includes interest, the agreement fee, basic banking service fee and other charges (e.g. Safe Loan installments and transfer fee, if the loan is disbursed to any other person than the borrower), except for default interest. The annual percentage rate of charge (APRC) is the percentage of the total cost of the credit. This rate is presented so that you could more easily compare different offers.

### A typical example of the calculation of the annual percentage rate of charge

If a consumer loan of EUR 5,000 is granted for the period of 5 years, the total amount to be repaid by the borrower will make EUR 6,834.71, monthly instalment – EUR 111.65. The annual percentage rate of charge will make 14.07 per cent.

It is calculated by including the following payments made during the entire consumer loan term:

- annual interest of 12 per cent,
- agreement fee of EUR 75,
- basic banking service fee of 1 EUR / month.

The annual percentage rate of charge and the total amount to be repaid by the borrower are calculated considering that the loan is disbursed on the agreement signature date, and that the terms of the agreement, the interest rate and fees do not change during the entire loan term, and the terms and conditions of the agreement are timely implemented. The annual percentage rate of charge is provided to help you compare different offers.

## **What are other potential loan-related expenses not included in the annual percentage rate of charge?**

Loan-related expenses that are not known to us are not included in the calculation of the annual percentage rate of charge.

## **How can I repay the loan earlier than agreed?**

You can repay any part of the loan or the total amount of the loan earlier than agreed. Any additional fees for the loan prepayment will not be applied.

## **How to secure the loan repayment in case of any difficulties?**

To protect yourself in case of financial difficulties under any unexpected circumstances, you may choose a Safe Loan Insurance Agreement offered by SEB Life and Pension Baltic SE Lithuanian Branch that provides the life insurance and total & permanent disability (TPD) insurance. Safe Loan Insurance Agreement can be chosen by signing a consumer loan agreement only via the SEB Internet Bank.

The Safe Loan Insurance will help in difficulty – when falling ill or being injured. The insurance benefit equal to the loan payments will be paid for a certain period of time, and the outstanding loan balance will be covered in the event of death by the insured person due to illness or an accident or in the event of major disability. Insurance premiums depend on the age of the insured person, the loan amount and payment amount.

More information is available on our website [seb.lt](http://seb.lt)

## **What are the potential consequences of not fulfilling your obligations?**

If you fail to fulfil or unduly fulfil your obligations under the loan agreement:

- you will have to pay default interest for each day of delay;
- other negative consequences are also possible: your credit history will be negatively impacted, you may be required to cover other expenses (debt collection, court fees, etc.), the borrowing cost may increase;
- we may terminate the loan agreement and demand the loan repayment in full.

If you encounter financial difficulties, do not hesitate to inform us by calling at +370 5 268 2800 or by visiting any branch of the bank – we will look for a solution and discuss possible actions together. We will offer ways to restructure the loan so that you could continue fulfilling your obligations. Do not forget that there are no problems or situations that could not be resolved. We are your financial partners and kindly ask you to contact us, if you have further questions.

## **How to apply for a loan?**

To apply for a loan, you should fill out a loan application. You can do it by logging into the SEB Internet Bank, [www.seb.lt](http://www.seb.lt) or by visiting any branch of the bank. Should you have any questions, do not hesitate to call us at +370 5 268 2800 or email to [info@seb.lt](mailto:info@seb.lt).

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