PRE CONTRACTUAL INFORMATION FOR MORTGAGE LOANS CONCERNING PROPERTIES IN ANDALUSIA, SPAIN

INTRODUCTION TO THIS DOCUMENT

DNB Luxembourg S.A. (hereafter the “Bank”, “we” or “us”) offers financial solutions for customers intending to buy vacation homes in inter alia Spain. The aim of this document is to provide you with certain information and documents required by local laws and regulations in particular when buying property in the region of Andalusia, Spain. Consumers and users wishing to apply for a mortgage loan have the right to be given all documents the lending entities are obliged to provide before the loan is formally executed. In this document you will find the pre-contractual information document (Ficha De Información Precontractual, “**FIPRE**”), the Complementary Pre-Contractual information document (Documento De Información Precontractual Complementaria, Anexo A Fipre, “**DIPREC**”), and the List of mandatory documents to be provided (Índice De Documentación De Entrega Preceptiva, “**IDEP”**).

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FIPRE - FICHA DE INFORMACIÓN PRECONTRACTUAL
PRE-CONTRACTUAL INFORMATION DOCUMENT (FIPRE)

The present document is made in reply to your request of information and does not constitute any obligation by DNB LUXEMBOURG SA to grant you a loan. This document is provided for information only and it is not a binding offer.

This document has been prepared based on the current market conditions. The subsequent customized offer may differ according to any eventual variations in such conditions or as a result of the financial information provided by the applicant.

1. LENDING INSTITUTION

Name of Lender: DNB Luxembourg S.A ("Bank")
Registered address: 13 rue Goethe, L-1637 Luxembourg
Telephone: + 352 45 49 45 1
E-mail address: boliglan@dnbgroup.lu (unsecure email)
Website: www.dnb.no/lu
Supervision Authority: CSSF (Commission de Surveillance du Secteur Financier)
If you wish to get in contact or have a complaint to make, please contact one of the Bank's Relationship Managers.

2. LOAN FEATURES

The total loan amount shall not exceed 70 % of the lowest value of the property according to a valuation certificate or the net purchase price of the property.

For example, on a residential property which has a value of 215.000€, the maximum loan amount would be 150.500€.

3. PURPOSE

Mortgage loans are intended to finance or refinance real estate. The loan granted by the Bank may particularly have the following uses:

- The purchase of a residential real estate property;
- The conversion or renovation of a real estate property already owned;
- The refinancing of a residential real estate property already owned.

4. TYPES OF COLLATERAL

To guarantee the repayment of the loan (principal, interest and expenses), the Bank will ask for a first priority mortgage on the real estate property that will be financed. If necessary, the Bank may also request a mortgage over another property, third party guarantees, pledges over assets (cash or securities), and/or other guarantees or securities as collateral in favour of the Bank.

5. CURRENCY

The loan may be granted in a currency different of your national currency.

You have the right to request conversion of your loan into your national currency, subject to conditions. At the beginning of each interest period, you may request to draw the loan in Euros or in Alternative Currencies, i.e. (i) the currency in which the borrower receives most of the income or has most of the assets with which to repay the loan, as indicated at the time the most recent solvency evaluation was carried out, or (ii) the currency of the Member State of the European Union in which the borrower was resident at the time of the conclusion of the loan agreement or is resident at the time the conversion is requested.

Such requests must be in writing and must be received by the Bank at least three (3) Banking Business Days prior to the first (1) day of any Interest Period. In the event the borrower fails to notify the Bank, the loan will continue in the currency in which it was denominated during the then current interest period.

Currency Risk

In the event the loan is not in your national currency, the value of your loan could change.

For example, if the value of your national currency fell by 20 % relative to the currency of the loan, the value of your loan in your national currency would increase accordingly. However, it could be more than this if the value of your national currency falls by more than 20 %.

You will receive periodical statements of your loan showing the outstanding credit amount in both the credit currency of the loan and in your national currency, if applicable. You will also receive a warning if the exchange rate will fluctuate by more than 20 % from the amount that would have corresponded if the exchange rate between the alternative currency and the Euro in force on the date of conclusion of the loan agreement had been applied.

Extraordinary repayments due to changes in the exchange rate

If, on any Interest Payment Date, the equivalent value of the loan in the current denomination exceeds the loan limit as defined in your loan agreement by more than 20 %, you shall, on that Interest Payment Date, immediately pay to the Bank the difference between such excess amount and the loan limit or offer to the Bank new security to extend the loan limit.

The payments that will have to be made periodically for interest must be in the agreed currency of the loan. If the payment is made in a different currency, it will be necessary to carry out a currency exchange transaction. The costs of such transactions will be varying, up or down, depending on the funding currency and available market rates.

6. DURATION OF THE MORTGAGE LOAN AGREEMENT

The maximum term of a mortgage loan agreement is **30 years**.

Please note that a distinction shall be made between the term of the loan agreement and the interest period during which a fixed interest rate may be applied. A fixed interest period is in most cases shorter than the term of the loan. For example, a fixed interest rate period can only be established for a minimum period of three years and a maximum of ten years. After the expiry of a fixed interest period borrowers may choose a new fixed interest period, with the agreement of the Bank, or continue with a variable interest rate loan (see further details under Possible Types of Interest Rates and Semi-Fixed Interest Rates).

7. POSSIBLE TYPES OF INTEREST RATES

As a borrower you will need to pay interest in addition to the principal amount borrowed. The Bank offers different types of interest rates:

Variable Interest Rate:

A variable interest is a rate which may fluctuate over the term of the loan. The interest on a variable interest loan is made up of an interbank rate or reference rate of interest (e.g. Euribor) and a fixed margin. The variable reference rate follows changes in the market rates. Consequently, the amount of interest that a borrower must pay the Bank may increase or decrease depending on changes in market rates.

Variable interest rate: Margin + Reference Rate of Interest (e.g. Euribor).

The interest rate is periodically revised and reviewed at the start of each interest period. The interest on the loan remains the same during each interest period, after which the rate is reset for the next interest period. The interest period can be determined for a period of 1, 3, 6 or 12 months. The reference rates used are the rates published two days prior to the start of each interest period.

Notwithstanding the above, the nominal interest rate under the loan shall not be less than 0.00%, whereby the Bank shall never owe or be obliged to pay any amounts to the borrower.

Benefits: this type of rate is flexible, allows the consumer to benefit from falls in interest rates and to make early repayments.

Main risk: if rates rise, the consumer’s regular repayment amount will be higher.

Semi-Fixed Interest Rate:

A semi-fixed rate is a combination of fixed and variable interest rates.

A fixed interest rate is a rate that does not change over the term of the loan. You as borrower are therefore able to know in advance the amount of interest that must be paid on the loan and the interest will not be affected by volatility of the market rates. For example, if market rates decrease, you will be required to pay the Bank the same amount of interest and you cannot take advantage of the fall in market rates. Similarly, if the market rates increase, you will not be required to pay more interest than initially set out.

Semi-fixed interest rate: Margin + Fixed Reference Rate of Interest (e.g. Euribor).

The fixed interest rate corresponds to the sum of a margin and a reference rate/interbank rate for the currency and period indicated. The reference rates used are the rates published two days prior to the start of each interest period, except that the nominal interest rate under the loan shall not be less than 0.00%, so that the Bank shall never owe or be obliged to pay any amounts to a borrower.

The semi-fixed interest rate loan starts with a fixed interest rate for a specified period of time, after which it is converted to a variable interest rate loan (see information on such interest rates above) unless a new fixed interest loan period is agreed. The fixed interest rate period shall be established for a minimum period of three years and a maximum of ten years.

Benefits of a fixed interest rate for a limited period: the borrower knows in advance the amount to be repaid to the Bank as the interest rate is fixed for a specified period of time and offers protection against interest rate rises.

Main risk of a fixed interest rate for a limited period: the borrower cannot benefit from any fall in interest rates and any early repayments during such period will incur costs. After the ending of a fixed interest rate period, if interest rates rise, the consumer’s regular repayment amount will be higher.

8. POSSIBLE REPAYMENT TERMS

The Bank and the borrower may agree on different repayment terms. The frequency of interest calculations and payments, the total number of payments and the amount of the principal to be paid at each payment will be described in your individual loan terms. The structure of the repayment generally may be one of the following depending on your needs and individual terms:

Amortisation Loan Structure:

You will repay the capital and pay interest over the entire duration of the loan. The repayment of the capital of the loan is distributed evenly on all payments throughout the term of the loan agreement, to which interest calculated on the remaining loan is added (the larger the loan, the higher the interest). This means that the amount of loan payment is larger at the beginning and decreasing towards the end of the loan term.

Amortisation Loan Structure combined with a Grace Period (an interest only period):

During the initial grace period you will only pay the accrued interest. After the end of the grace period you will repay the capital and pay interest over the entire duration of the loan. The repayment of the capital of the loan is then distributed evenly on all payments throughout the term of the loan agreement, to which interest calculated on the remaining loan is added (the larger the loan, the higher the interest). This means that the amount of loan payment is larger at the beginning and decreasing towards the end of the loan term.

Interest-only loans:

During the loan term you will only pay the accrued interest. At the end of the loan term you'll still owe the original amount borrowed. You will consequently need to make separate arrangements to be able to repay the full loan amount and any extra payments you will owe at the end of the mortgage term.

9. COSTS AND REPRESENTATIVE EXAMPLE OF TAKING OUT A LOAN

In addition to paying interest on the loan, other costs are payable by you as a borrower. The information below is provided as an example of financing and is not binding for the Bank.

Representative example of total amount credit	
Loan amount	EUR 300,000
Annual interest fixed margin	2.45 %
Loan terms	30 years
Set-up Fee* *(administrative cost of setting up a mortgage)*	1,75 % equals to EUR 5,250
Euribor 3 months rate *(as per 18.05.2020)*	-0.266 %
Nominal interest rate *(Annual interest Margin + Euribor rate)*	2.18 %
Effective APRC **	2.34 %
Quarterly repayments *(principal)*	EUR 2,500
Total cost of credit	EUR 104,349
Total amount due by the credit	EUR 404,349

*The arrangement or set-up fee for the loan (charges for the provision of funds and for studying and administering the application) are paid to the Bank on a one-off basis upon the arrangement of the loan. If the loan is in a foreign currency, the arrangement fee will also include any currency exchange fees chargeable on the initial loan disbursement. The fee generally corresponds to a fixed percentage of the loan amount combined with a minimum amount. The set-up fee will vary depending on the jurisdiction where the property is located, the value of the loan and the terms of your loan agreement..
** The annual percentage rate of charge (APRC) is the total cost of the loan expressed as an annual percentage. The APRC is provided to help you to compare different offers.

Setting up the loan may also generate other additional costs which are payable by you unless otherwise indicated in your loan agreement. These costs are not included in the total cost of the loan/APRC calculation because they are not known by the Bank. They include:

- appraisal fees of the property *(to be paid by you on a one-off basis, even if loan is not granted)*
- insurance premiums *(to be paid regularly by you, the amount may vary from one year to another)*
- life insurance (optional)

Please also ensure that you are aware of all other taxes and costs associated with your loan:

10. PROPERTY VALUATION

Depending on the mortgage application, the Bank may require a valuation of the mortgaged property before providing you a loan, the cost of which is generally payable by the borrower. The rules for valuing properties are defined by law.

The Bank is obliged to accept any appraisal provided by the borrower, provided that it is certified by an approved appraiser by Spanish regulation and has not expired. No additional costs may be charged to the borrower for any checking that may be carried out on the appraisal by the Bank.

In loans for the acquisition of housing, the borrower will have the right to designate, by mutual agreement with the Bank, the person or entity that will be in charge of the administrative management of the operation (agency), as well as the insurance entity that, if applicable, will cover the contingencies that the Bank requires for the formalization of the loan.

11. ADDITIONAL OBLIGATIONS

The borrower must comply with the following obligations in order to benefit from the lending conditions described in this document.

Insurance:

Upon signature and until all capital and interests are fully repaid, the borrower must maintain a comprehensive insurance policy fully insuring against fire, water and other damages on the property securing the mortgage loan, with a reputable insurance company, covering the appraised value of the property and subrogated in favour of the Bank as mortgage beneficiary.

Although taking out an insurance policy is an obligation the borrower assumes vis-à-vis the Bank, the borrower is free to enter into such a policy with the insurer of its choosing, provided the insurer meets the minimum criteria set out above and/or in the loan agreement:
The Bank shall accept any alternative policies the borrower presents from all those insurers that offer equivalent conditions and benefits to those indicated above. The Borrower shall be entitled to present these alternative policies both upon initial arrangement of the loan and on each loan renewal date

and/or upon the Bank's request. The Bank will not charge the borrower any commission or fee whatsoever for analysing the alternative policies submitted by the borrower in exercising this right.

Given that you as borrower may take out an insurance policy with a provider of your choice, the actual costs of the insurance policy is not known by the Bank. The Bank has consequently not included such costs in the calculation of the loan in the APRC.

Bank Account

You will also need to open and maintain a bank account with the Bank.

12. EARLY REPAYMENT

You may repay all or part of your loan early at any time before the end date specified in the terms of your loan. Amounts repaid cannot be reused. The Bank is however entitled to fair and objective compensation for the costs it has incurred, where this is justified and indicated in your loan agreement.

The full or partial early repayment of the loan shall not entitle the borrower to receive any compensation by way of interest gains. Nevertheless, the borrower shall be entitled to a reduction in the total loan cost, including interest and costs corresponding to the remaining loan term. In particular, the ancillary insurance policy tied to the loan, of which the Bank is beneficiary, shall be terminated, unless the borrower expressly informs the insurer that it wishes to maintain the insurance policy in force, designating a new beneficiary. The borrower may then have a right vis a vis the insurance company to a refund of the part of the premium already paid.

Depending on which interest type you have on your loan, the impact on the agreement will be different. Should you decide to repay your loan early, you must notify the Bank of the intention to repay all or part of the loan to ascertain the exact level of the early repayment fee at that moment.

Variable interest rate loans

In the event of an early repayment of a variable interest loan, you will need to pay the Bank a compensation fee if this is indicated in your loan agreement, subject to applicable law. In case of a partial repayment, this may either shorten the duration of the loan term or reduce the amount of the regular payments.

It shall be stated in the loan agreement that the Bank shall be compensated by one of these two systems:

Alternative a): When repayment occurs within the first five years of the loan term: the Bank shall receive compensation equal to the amount of the financial loss incurred as a result of the early repayment, up to a maximum limit of 0.15% of the loan amount repaid early.

Alternative b): When repayment occurs within the first three years of the loan term: the Bank shall receive compensation equal to the amount of the financial loss incurred as a result of the early repayment, up to a maximum limit of 0.25% of the loan amount repaid early.

Should the loan be repaid early as from completion of the above-mentioned period and until the final maturity date of the loan, the borrower shall owe no compensation whatsoever to the Bank for early repayment.

In the event of novation of the applicable interest rate or subrogation of the Bank's position

In the event of novation of the applicable interest rate or subrogation of the Bank's position by a third-party lender during the first three years of the loan term, whereby the variable interest rate is replaced with a fixed interest rate during the remainder of the loan term, the borrower must pay the Bank compensation for early repayment equal to the financial loss incurred as a result of the early repayment, up to a maximum limit of 0.15% of the capital repaid early.

Following the first three years of the loan term, the borrower shall not be required to pay the Bank any compensation whatsoever in this regard.

Semi-Fixed Interest rate loans

In the event of an early repayment of a loan that has a fixed interest rate in full or in part, you will need to pay the Bank a compensation fee, if the Bank is unable to replace the funds repaid at an interest rate that is identical to the fixed interest rate set out in the loan agreement. This compensation fee is capped under certain conditions subject to the terms of your loan agreement and applicable law:

In the event of early repayment of the loan occurs during a period for which a fixed interest rate has been agreed, and within the first ten years of the loan, the Bank shall receive compensation equal to the amount of the financial loss incurred as a result of the early repayment, up to a maximum limit of 2% of the loan amount repaid early.

Once the first ten years of the contract have expired, the Bank shall receive compensation equal to the amount of the financial loss incurred as a result of the early repayment, up to a maximum limit of 1.5% of the loan amount repaid early.

13. POSSIBLE CONSEQUENCES OF NON-COMPLIANCE

In the event of non-compliance with the terms of the loan agreement, the Bank reserves the right to terminate the agreement at any time and demand repayment of the total amount owed by the borrower.

Termination of the loan will imply cessation of use of the loan and make all sums owed by the borrower repayable to the Bank. The Bank may then be entitled to invoke the mortgage charge and/or the guarantees provided in favour of the Bank as collateral for the loan, as part of recovery proceedings. You (and any guarantors) may be liable with your personal assets, and attachments may be placed on these assets. The mortgaged property may be repossessed and sold.

The Bank is entitled to instigate any recovery proceedings needed to recover such sums from the borrower. Therefore, in addition to the amounts owed, the Bank may require the borrower to reimburse all recovery proceedings costs incurred by the Bank.

The Bank has further the right to charge default interest on payments on instalments paid after the due date. The interest rate on late payments is set by applicable law and payment reminders are subject to administrative fees.

As a last resort, the property serving as mortgage collateral may be repossessed.

Default on payments: For information purposes, it will be understood that there is a default on payments (whereby the borrower shall lose the right to the loan's term and the loan agreement shall be deemed to have been terminated early), if the following requirements are jointly met:

a) The borrower is in default of payment of a part of the capital of the loan or of the interest.

b) The amount of the quotas due and not paid is at least equivalent:

(i) at least 3% of the capital granted, if the default occurs during the first half of the loan term, This requirement is also deemed to be met when the instalments due and not paid are equivalent to the non-payment of 12 monthly instalments or a number of instalments that means that the borrower has failed to meet his/her payment obligations for a period of at least equal to 12 months; or

(ii) at least 7% of the capital granted, if the default occurs during the second half of the loan term. This requirement is also deemed to be met when the instalments due and not paid are equivalent to the non-payment of 15 monthly instalments or a number of instalments that means that the borrower has failed to meet his/her payment obligations for a period of at least equal to 15 months.

In these cases, the Bank shall require payment, granting the borrower at least one month to comply with the payment demand, and informing the borrower that, should payment not be made, the total outstanding loan amount will be claimed.

14. DECLARATION

By signing this document, the undersigned declares to have received and approved the content of this document and acknowledge having been duly informed by the Bank in relation to the foregoing.

Borrower 1
Date:
Place:
Signature: ___________________________
Printed Name:

DNB Luxembourg (Bank)
Date:
Place:
Signature: ___________________________
Printed Name:

Borrower 2 – if applicable
Date:
Place:
Signature: ___________________________
Printed Name:

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DIPREC - DOCUMENTO DE INFORMACIÓN PRECONTRACTUAL COMPLEMENTARIA, ANEXO A FIPRE
CPID - COMPLEMENTARY PRE-CONTRACTUAL INFORMATION DOCUMENT, ANNEX TO FIPRE

LENDING INSTITUTION

Name of Lender: DNB Luxembourg S.A (“**Bank**”)
Registered address: 13 rue Goethe, L-1637 Luxembourg
Telephone: + 352 45 49 45 1
E-mail address: boliglan@dnbgroup.lu (unsecure email)
Website: www.dnb.no/lu
Supervision Authority: CSSF (Commission de Surveillance du Secteur Financier)

The information in this document should be considered as particularly relevant for you.

This document is issued in response to your request for information and in compliance with the specifications of **Law 3/2016, of 9 June, for the protection of the rights of consumers and users of residential loans and mortgage credits** and as a complement to the FIPRE (Pre-contractual Information Sheet). Article 9, paragraph 3 of Law 3/2016 of 9 June, regulates this document. This document does not entail an obligation for the Bank to grant you a mortgage loan.

THIS DOCUMENT INFORMS YOU PERSONALLY OF THE FOLLOWING ASPECTS:

- **You are entitled to obtain** from the Bank a list of mandatory documents to be provided (IDEP), listing all documents to be provided to you on a mandatory basis until the formalization of the loan, which will be provided to you whenever you request information on the loans we offer.

- **You are liable** before the Bank for the payment of the loan not only with the mortgaged property/ies but with all your present and future assets. Therefore, the guarantee of the present loan covers both the value of the mortgaged property, and **in the event that said value does not cover the entire debt**, all its present and future assets, both those of the borrower/s and, if any, those of the guarantor/s of the operation.

- **You have the right** to be informed about the different loans repayment systems offered by the Bank, as well as the implications and consequences of the repayment system contemplated in this document. The structure of the repayment generally may be one of the following depending on your needs and individual terms:

  (i) Amortisation Loan Structure:

  You will repay the capital and pay interest over the entire duration of the loan. The repayment of the capital of the loan is distributed evenly on all payments throughout the term of the loan agreement, to which interest calculated on the remaining loan is added (the larger the loan, the higher the interest). This means that the amount of loan payment is larger at the beginning and decreasing towards the end of the loan term.

(ii) Amortisation Loan Structure combined with a Grace Period (an interest only period):

During the initial grace period you will only pay the accrued interest. After the end of the grace period you will repay the capital and pay interest over the entire duration of the loan. The repayment of the capital of the loan is then distributed evenly on all payments throughout the term of the loan agreement, to which interest calculated on the remaining loan is added (the larger the loan, the higher the interest). This means that the amount of loan payment is larger at the beginning and decreasing towards the end of the loan term.

(iii) Interest-only loans:

During the loan term you will only pay the accrued interest. At the end of the loan term you'll still owe the original amount borrowed. You will consequently need to make separate arrangements to be able to repay the full loan amount and any extra payments you will owe at the end of the loan term.

- **In the event the loan chosen by you is a variable interest rate loan**, the amount of your instalments may increase or decrease. In **ANNEX I**, you will find a table exemplifying the fluctuations in the total amount to pay for a reference loan of the amount of EUR 150.000 over 25 years. The example highlights the highest and lowest amount of the quarterly payment over the expected repayment period, based on the fluctuation of the EURIBOR over the last 25 years, as well as the payments affected by the incorporation of the minimum legal rate of 0%.

- The loan offered is not marketed in connection with a product or instrument to cover the risk of interest rate rises (swaps, clips or similar instruments).

- **Applicable default interest and its method of calculation:**
  The default interest is determined by the Bank and will be calculated in accordance with the State regulations applicable, mainly Spanish Law 5/2019 of 15 March, regulating real estate loan agreements.

  The default interest will be equivalent to the interest rate plus three percentage points (3%). Default interest will accrue exclusively on the outstanding principal. Said default interest may not be capitalised under any circumstances, except in the case established in article 579.2. a) of the Spanish Law of Civil Procedure.

  Ordinary interest and default interest may not be accrued simultaneously on the same unpaid amount. Ordinary interest will cease to accrue on unpaid amounts, once the default has occurred.

  For clarification purposes, the determination of the percentage cannot be altered by the lender as its calculation will be made as established by state regulations resulting from application.

  For information purposes, it will be understood that there is a default on payments (whereby the borrower shall lose the right to the loan's term and the loan agreement shall be deemed to have been terminated early), if the following requirements are jointly met:

  a) The borrower is in default of payment of a part of the capital of the loan or of the interest.

  b) The amount of the quotas due and not paid are at least equivalent to:

(i) at least 3% of the capital granted, if the default occurs during the first half of the loan term. This requirement is also deemed to be met when the instalments due and not paid are equivalent to the non-payment of 12 monthly instalments or a number of instalments that means that the borrower has failed to meet his/her payment obligations for a period at least equal to 12 months; or

(ii) at least 7% of the capital granted, if the default occurs during the second half of the loan term This requirement is also deemed to be met when the instalments due and not paid are equivalent to the non-payment of 15 monthly instalments or a number of instalments that means that the borrower has failed to meet his/her payment obligations for a period at least equal to 15 months.

In these cases, the Bank shall require payment, granting the borrower at least one month to comply with the payment demand, and informing the borrower that, should payment not be made, the total outstanding loan amount will be claimed.

- **In order to carry out the solvency evaluation**, you and, if applicable, the guarantor's must submit the documentation required by the Bank as listed in **ANNEX II**.

  If necessary, the Bank may also request additional information and documentation to that listed in ANNEX II. If you do not provide the documentation requested by the Bank, the Bank may not be able to carry out such evaluation and, therefore, grant you the requested loan.

- **According to Law 3/2016,** we inform you that in order to grant the loan it is required by the Bank that the client has contracted, and maintain in force during the whole life of the loan, a comprehensive insurance policy fully insuring the property that secures the mortgage loan against fire, water and other damages. Such insurance policy must be contracted with a reputable insurance company and cover the appraised value of the property and subrogated in favour of the Bank as mortgage beneficiary.

  You have the right to formalize the insurance policy with any entity. The Bank will accept the alternative policies that you present from all those suppliers that offer you conditions and a level of benefits equivalent to those required by the Bank, indicated in the additional information document "Information on costs associated with the loan agreement" which will be provided to you.

- Once you have shown your willingness to take out the loan, the corresponding appraisal of the property is available and the relevant verifications have been carried out on your registration status and your financial capacity as a borrower, and the Bank approves the application, you may request a binding offer from the Bank. The terms and conditions included in the ESIS are binding for the Bank while the ESIS is in force. You will have a minimum of **ten calendar days** cooling off period before you can finally commit to the loan.

- You are informed that the Bank is not adhered to any Consumer Arbitration System. Likewise, you are informed that the Bank is not adhered to any CODE OF GOOD PRACTICE.

- You are informed that there may be tax deductions or public assistance for the acquisition of property by the consumer or user, depending on the specific case. Similarly, you are informed that these may vary over time, as well as a result of changes in your personal circumstances, which may result in the loss of any public assistance that may exist at present.

- **You have the right to freely choose a notary, in accordance with current Spanish state regulations, and to have the notary provide you with free personalised advice on the terms**

and consequences of the information contained in the documentation you have been provided. If you do not select one, the Bank will propose one for your acceptance.

- **You must appear before the notary public chosen by you for the purpose of obtaining his/her advice in person and for the granting of the previous notorial minute (Acta Notorial Previa) provided for in Article 15 of Spanish Law 5/2019.**

- **You also have the right to examine, among other documents, the draft public deed in the office of the authorising notary public and getting a copy of it at your disposal at least three calendar days prior to its execution before the notary public.**

- **You should be aware of the following implications:**
  - Your income may vary. Make sure that if your income decreases, you will still be able to afford your regular instalments.
  - You could lose your property if you don't make your payments on time.
  - You should take into account the fact that the interest rate on this loan does not remain fixed during the whole period of the loan.
  - If your loan is not expressed in your national currency, the value of your loan and the amount you will need to pay per each instalment could vary depending on the currency exchange rate of the national currency compared to the currency of the loan.
  - If your loan is an interest-only loan, you will only pay interest until the loan is due and that during its term you will have to raise enough capital to repay the amount of the loan on the due date.
  - You should note that this contract is affected by a legal minimum limit, so that the interest rate on this loan, although variable, will never benefit from falls in the total and applicable interest rate (reference rate + Bank's margin) below zero (0.00). Under no circumstances will interest be generated in favor of the borrower.
  - In accordance with Spanish regulations, you will have to pay other taxes and expenses, such as those for the valuation of the property, the notary fees derived from the copy of the Mortgage Loan Deed you request and those for the registration of the cancellation deed in the Property Registry.
  - You will need to open an account with the Bank.

By signing this document, the undersigned declares and acknowledges to have been fully and duly informed by the Bank in relation to the foregoing.

Borrower 1
Date:
Place:
Signature: __________________________
Printed Name:

DNB Luxembourg (Bank)
Date:
Place:
Signature: __________________________
Printed Name:

Borrower 2 – if applicable
Date:
Place:
Signature: __________________________
Printed Name:

ANNEX I

REPRESENTATIVE EXAMPLE OF A FLUCTUATING VARIABLE INTEREST RATE

Below is set a representative example of the fluctuations in the total amount of the loan, taking as a reference a loan of 150,000 euros over 25 years, highlighting the highest and lowest amount of the quarterly payment over the expected repayment period, based on the fluctuation in the EURIBOR over the last 25 years.

The minimum legal interest rate is 0%, so you have to consider that, although the interest rate of this loan is variable, you will never benefit from decreases of the applicable interest rate below zero (0.00), so in no case may interest be generated in favor of the borrower. The representative examples shown below take into account the existence of this legal minimum.

FIRST SCENARIO (the reference interest rate is at the highest level reached in the last 25 years):

- **Highest amount of the quarterly payment calculated with the maximum value of the EURIBOR ONE YEAR, published on 10 October 2008, which was 5.49%, adding a bank margin of 2.95%: EUR 4,665**
- **Total amount of the loan: EUR 312,833**

Total Interest	8.44%				29/04/2020
Year					
	Instalment	Instalment with interest rate cap 14%	Interest to be paid per year	Capital repaid per year	Outstanding capital
Total year 0	12,298	13,448	9,298	3,000	147,000
Total year 1	18,217	26,265	12,217	6,000	141,000
Total year 2	17,711	25,425	11,711	6,000	135,000
Total year 3	17,204	24,585	11,204	6,000	129,000
Total year 4	16,698	23,745	10,698	6,000	123,000
Total year 5	16,191	22,905	10,191	6,000	117,000
Total year 6	15,685	22,065	9,685	6,000	111,000
Total year 7	15,179	21,225	9,179	6,000	105,000
Total year 8	14,672	20,385	8,672	6,000	99,000
Total year 9	14,166	19,545	8,166	6,000	93,000
Total year 10	13,659	18,705	7,659	6,000	87,000
Total year 11	13,153	17,865	7,153	6,000	81,000
Total year 12	12,647	17,025	6,647	6,000	75,000
Total year 13	12,140	16,185	6,140	6,000	69,000
Total year 14	11,634	15,345	5,634	6,000	63,000
Total year 15	11,127	14,505	5,127	6,000	57,000
Total year 16	10,621	13,665	4,621	6,000	51,000
Total year 17	10,115	12,825	4,115	6,000	45,000
Total year 18	9,608	11,985	3,608	6,000	39,000
Total year 19	9,102	11,145	3,102	6,000	33,000
Total year 20	8,595	10,305	2,595	6,000	27,000
Total year 21	8,089	9,465	2,089	6,000	21,000
Total year 22	7,583	8,625	1,583	6,000	15,000
Total year 23	7,076	7,785	1,076	6,000	9,000
Total year 24	6,570	6,945	570	6,000	3,000
Total year 25	3,095	3,158	95	3,000	-
Total:	312,833	415,125	162,833	150,000	

SECOND SCENARIO (the reference interest rate is at the lowest level reached in the last 25 years):

- **Lowest amount of the quarterly payment calculated with the lowest value of the EURIBOR ONE YEAR, published on 21 August 2019, which was -0.40%, adding a bank margin of 2.95 %: EUR 2,456**
- **Total amount of the loan: EUR 201,291**

Total Interest	2.55%				29/04/2020
Year					
	Instalment	Instalment with interest rate cap 14%	Interest to be paid per year	Capital repaid per year	Outstanding capital
Total year 0	7,903	13,448	4,903	3,000	147,000
Total year 1	9,691	26,265	3,691	6,000	141,000
Total year 2	9,538	25,425	3,538	6,000	135,000
Total year 3	9,385	24,585	3,385	6,000	129,000
Total year 4	9,232	23,745	3,232	6,000	123,000
Total year 5	9,079	22,905	3,079	6,000	117,000
Total year 6	8,926	22,065	2,926	6,000	111,000
Total year 7	8,773	21,225	2,773	6,000	105,000
Total year 8	8,620	20,385	2,620	6,000	99,000
Total year 9	8,467	19,545	2,467	6,000	93,000
Total year 10	8,314	18,705	2,314	6,000	87,000
Total year 11	8,161	17,865	2,161	6,000	81,000
Total year 12	8,008	17,025	2,008	6,000	75,000
Total year 13	7,855	16,185	1,855	6,000	69,000
Total year 14	7,702	15,345	1,702	6,000	63,000
Total year 15	7,549	14,505	1,549	6,000	57,000
Total year 16	7,396	13,665	1,396	6,000	51,000
Total year 17	7,243	12,825	1,243	6,000	45,000
Total year 18	7,090	11,985	1,090	6,000	39,000
Total year 19	6,937	11,145	937	6,000	33,000
Total year 20	6,784	10,305	784	6,000	27,000
Total year 21	6,631	9,465	631	6,000	21,000
Total year 22	6,478	8,625	478	6,000	15,000
Total year 23	6,325	7,785	325	6,000	9,000
Total year 24	6,172	6,945	172	6,000	3,000
Total year 25	3,029	3,158	29	3,000	-
Total:	201,291	415,125	51,291	150,000	

This information is only provided for orientation purposes. It does not necessarily mean that the instalments to be paid will reach the maximum or minimum level. Nor does it mean that the maximum or minimum value reached by the reference rate during the life of the loan is as indicated: the fact that in the last 25 years (or the maximum period available if this is lower) the reference rate has been at a maximum or minimum value does not mean that in the future it cannot be at a higher or lower value.

ANNEX II

DOCUMENTATION TO BE SUBMITTED BY THE BORROWER/S AND, WHERE APPROPRIATE, THE GUARANTOR/S TO CARRY OUT THE SOLVENCY AND VIABILITY EVALUATION OF THE OPERATION:

In case borrower(s)/guarantors are individual(s) the Bank requires documents enabling a thorough and verifiable credit evaluation of each borrower's and guarantor's financial situation. Such documents generally include:

- copies of the last three years' tax returns
- copies of the last three months' salary slips
- certified copy of a valid passport/identity card
- copy of a statement of future retirement income, in case the borrower is above 60 years

In case borrower is a Company, the Bank will require a personal guarantee for the full loan amount from all main shareholder(s) to grant a mortgage loan. Therefore, when borrower is a Company, the guarantor(s) need to provide the same information as listed under private individuals above. In addition, the Bank requires documents enabling a thorough and verifiable credit evaluation of the Company borrower's financial situation. Such documents generally include: :

- copies of the company's last three years' accounts
- copy of the company's certificate of registration showing authorized signatories and main shareholders
- copy of the passports/identity card of all authorized signatories
- copy of board resolution confirming the Company's loan application

If necessary, the Bank may also request additional information and documentation. If you do not provide the documentation requested by the Bank, the Bank may not be able to carry out such evaluation and, therefore, to grant you the requested loan.

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ÍNDICE DE DOCUMENTACIÓN DE ENTREGA PRECEPTIVA (IDEP)
List of mandatory documents to be provided (IDEP)

Consumers and users wishing to apply for a mortgage loan have the right to be given all documents the lending entities and intermediary services are obliged to provide before the loan is formally executed, which are:

- Pre-contract Information Document (PCID/FIPRE)
- Complementary Pre-contract Information Document (CPCID/DIPREC)
- European Standardised Information Sheet (ESIS/FEIN)
- Complementary Personalised Information Document (CPID/DIPERC)
- ESIS' annex regarding interest rate risk to hedging instruments, if applicable
- Standardised Warnings Sheet (SWS/FiAE)
- If the loan is at variable interest rate, a separate document with a special reference to the regular instalments to be paid in different scenarios of evolution of the variable interest rates
- Copy of the Draft Loan Agreement
- Documentation with clear and truthful information on the costs to be paid by the Bank and the costs to be paid by the Borrower.
- Document explaining the terms and conditions of the guarantees of the required insurance policy/ies, if applicable.
- Warning to the consumer and user of the obligation to seek personal and free advice by the Notary chosen by him/her for the authorisation of the Mortgage Public Deed, on the content and the consequences of the information contained in the information provided.
- Document including any other covenants or conditions agreed between the parties, if any.

The Bank will respond to the queries made by the consumer and user regarding the issues, meaning and practical implications of the documents provided.

By signing this document, I/we acknowledge being duly informed by the Bank in relation to the foregoing.

Borrower 1
Date:
Place:
Signature: ___________________________
Printed Name:

DNB Luxembourg (Bank)
Date:
Place:
Signature: ___________________________
Printed Name:

Borrower 2 – if applicable
Date:
Place:
Signature: ___________________________
Printed Name:

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INFORMATION ABOUT PERSONAL DATA PROCESSING

DNB Luxembourg S.A (hereinafter the "Bank") will collect, store and process personal data in accordance with applicable data protection laws and regulations, notably the GDPR and any other EU/EEA or national legislation that implements or supplements the foregoing. The Bank's General Terms and Conditions of Business (GTC) and Privacy Notice, available at www.dnb.no/lu/en, contain further information on how the Bank processes, collects, records, uses and shares Personal Data, for what purposes and on what legal grounds.

Each individual has the right to access, correct, restrict, erase and oppose the processing of personal data, to request the portability of Personal Data, and to file a complaint with the Data Protection Authorities, within the limits of the law. The GTC and Data Privacy Notice will provide further explanations on how these rights can be exercised.