SUBSIDIARY LEGISLATION 378.12

CONSUMER CREDIT REGULATIONS

1st October, 2010*

LEGAL NOTICE 330 of 2010, as amended by Legal Notices 28 of 2013 87 of 2018 and XVI of 2019 and Legal Notices 17 of 2024 and 265 of 2026†.

PART 1

PRELIMINARY

Citation.

1. The title of these regulations is the Consumer Credit Regulations.

Scope.
Amended by:
L.N. 28 of 2013.
Substituted by:
L.N. 17 of 2024.

2. The scope of these regulations is to:

(*a*) transpose the provisions of Directive 2008/48/EC of the European Parliament and of the Council of 23 April 2008 on credit agreements for consumers and repealing Council Directive 87/102/EC;

(*b*) transpose the provisions of Commission Directive 2011/90/EU of 14 November 2011 amending Part II of Annex I to Directive 2008/48/EC of the European Parliament and of the Council providing additional assumptions for the calculation of the annual percentage rate of charge; and

(*c*) transpose article 27 of Directive (EU) 2021/2167 of the European Parliament and of the Council of 24 November 2021 on credit servicers and credit purchasers and amending Directives 2008/48/EC and 2014/17/EU.

PART 2

DEFINITIONS

Definitions.
Amended by:
L.N. 265 of 2026.

3. For the purpose of these regulations:

"Act" means the Consumer Affairs Act; Cap. 378.

"annual percentage rate of charge" shall have the same meaning assigned to it under regulation 21;

"borrowing rate" means the interest rate expressed as a fixed or variable percentage applied on an annual basis to the amount of credit drawn down;

"Civil Court" means the Civil Court (Commercial Section) established by article 3 of the Civil Court (Establishment of Sections) Order; S.L. 12.19.

"consumer" means a natural person who, in transactions covered by these regulations, is acting for purposes which are outside his

*See regulation 1(2) as originally promulgated.
†*Vide* regulation 4 of L.N. 265 of 2026 for the transitory provision.

trade, business or profession;

"creditor" means a natural or legal person who grants or promises to grant credit in the course of his trade, business or profession, other than a person who holds a licence or other authorisation in terms of the Banking Act or the Financial Institutions Act by virtue of which such person is licenced or otherwise authorised to grant or promise to grant credit;

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Cap. 376.

"credit agreement" means an agreement whereby a creditor grants or promises to grant to a consumer credit in the form of a deferred payment, loan or other similar financial accommodation, except for agreements for the provision on a continuing basis of services or for the supply of goods of the same kind, where the consumer pays for such services or goods for the duration of their provision by means of instalments;

"credit intermediary" means a natural or legal person who is not acting as a creditor and who, in the course of his trade, business or profession, for a fee, which may take a pecuniary form or any other agreed form of financial consideration:

(i) presents or offers credit agreements to consumers;

(ii) assists consumers by undertaking preparatory work in respect of credit agreements other than as referred to in paragraph (i); or

(iii) concludes credit agreements with consumers on behalf of the creditor;

"the Director General" means the Director General (Consumer Affairs) as defined in the Act;

"durable medium" means any instrument which enables the consumer to store information addressed personally to him in a way accessible for future reference for a period of time adequate for the purposes of the information and which allows the unchanged reproduction of the information stored;

"fixed borrowing rate" means that the creditor and the consumer agree in the credit agreement on one borrowing rate for the entire duration of the credit agreement or on several borrowing rates for partial periods using exclusively a fixed specific percentage. If not all borrowing rates are determined in the credit agreement, the borrowing rate shall be deemed to be fixed only for the partial periods for which the borrowing rates are determined exclusively by a fixed specific percentage agreed on the conclusion of the credit agreement;

"linked credit agreement" means a credit agreement where:

(i) the credit in question serves exclusively to finance an agreement for the supply of specific goods or the provision of a specific service; and

(ii) those two agreements form, from an objective point of view, a commercial unit.

For the purposes of this definition, a commercial unit shall be deemed to exist where the supplier or service provider himself finances the credit for the consumer or, if it is financed by a third

party, where the creditor uses the services of the supplier or service provider in connection with the conclusion or preparation of the credit agreement, or where the specific goods or the provision of a specific service are explicitly specified in the credit agreement;

"Member State" has the same meaning assigned to it in the Act;

"Notary Public" has the same meaning assigned to it under article 2(1) of the Notarial Profession and Notarial Archives Act; Cap. 55.

"overdraft facility" means an explicit credit agreement whereby a creditor makes available to a consumer funds which exceed the current balance in the consumer's current account;

"overrunning" means a tacitly accepted overdraft whereby a creditor makes available to a consumer funds which exceed the current balance in the consumer's current account or the agreed overdraft facility;

"total amount of credit" means the ceiling or the total sums made available under a credit agreement;

"total amount payable by the consumer" means the sum of the total amount of the credit and the total cost of the credit to the consumer; and

"total cost of the credit to the consumer" means all the costs, including interest, commissions, taxes, and any other kind of fees which the consumer is required to pay in connection with the credit agreement and which are known to the creditor, except for notarial costs; costs in respect of ancillary services relating to the credit agreement, in particular insurance premia, are also included if, in addition, the conclusion of a service contract is compulsory in order to obtain the credit or to obtain it on the terms and conditions marketed.

PART 3

SCOPE AND APPLICATION

Scope. *Amended by: L.N. 87 of 2018*; *L.N. 265 of 2026.* Cap. 371. Cap. 376.

4. (1) These regulations shall apply to consumer credit agreements except where the creditor who grants or promises to grant credit in the course of his trade, business or profession holds a licence or any other authorisation issued in terms of the Banking Act or the Financial Institutions Act, as applicable, by virtue of which such creditor is licensed or authorised to grant or promise to grant credit.

(2) Without prejudice to sub-regulation (1), these regulations shall not apply to credit agreements:

(*a*) entered into before the date on which these regulations shall come into force:

Provided that open-end credit agreements which were entered into before 1st October, 2010 shall be regulated by regulations 12(4)(*a*), 12(4)(*b*), 12(5), 13, 17, 18(2) and 18(3);

(*b*) which are secured by a hypothec, privilege, or land registry charge, or by a right related to immovable property;

(*c*) the purpose of which is to acquire or retain property

rights over land and or over an existing or projected building;

(*d*) involving a total amount of credit less than two hundred euro (€200) or more than seventy-five thousand euro (€75,000):

Provided that notwithstanding this provision, these regulations shall apply to unsecured credit agreements the purpose of which is the renovation of a residential immovable property involving a total amount of credit above seventy-five thousand euro (€75,000);

(*e*) relating to hiring or leasing where an obligation to purchase the object of the agreement is not laid down either by the agreement itself or by a separate agreement. Such an obligation shall be deemed to exist if it is so decided unilaterally by the creditor;

(*f*) in the form of an overdraft facility and where the credit has to be repaid within one month, without prejudice to regulation 9;

(*g*) where the credit is granted free of interest and without any other charges;

(*h*) under the terms of which the credit has to be repaid within three months and only insignificant charges are payable;

(*i*) where the credit is granted by an employer to his employees as a secondary activity free of interest or at annual percentage rates of charge which are lower than those prevailing on the market and which are not offered to the public;

(*j*) which are concluded with European investment firms as defined in article 2 of the Investment Services Act or with banks or credit institutions or electronic money institutions as defined in article 2 of the Banking Act for the purpose of allowing an investor to carry out a transaction relating to one or more of the instruments listed in the Second Schedule to the Investment Services Act where the European investment firm or bank or credit institution or electronic money institution granting the credit is involved in such transaction;

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(*k*) which are the outcome of a settlement reached in court or before another statutory authority;

(*l*) which relate to the deferred payment, free of charge, of an existing debt;

(*m*) upon the conclusion of which the consumer is requested to deposit an item as security in the creditor's safe-keeping and where the liability of the consumer is strictly limited to that pledged item; and

(*n*) which relate to loans granted to a restricted public under a statutory provision with a general interest purpose and at lower interest rates than those

prevailing on the market or free of interest or on other terms which are more favourable to the consumer than those prevailing on the market and at interest rates not higher than those prevailing on the market.

(3) Credit agreements in the form of:

(*a*) an overdraft facility and where the credit has to be repaid on demand or within three months, shall be subject only to regulations 1, 2, 3, for proviso 4(2)(*a*), 5(3), 5(4), 8 to 10, 11(3), 12(1), 12(2), 12(3), 12(5), 15, 17, 19(1), 19(2)(*a*) to (*d*), 20 to 24; and

(*b*) an overrunning, shall be subject only to regulations 1 to 4, 18, 22 to 25.

(4) Credit agreements which provide for arrangements to be agreed by the creditor and the consumer in respect of deferred payments or repayment methods, where the consumer is already in default on the initial credit agreement and where -

(*a*) such arrangements would be likely to avert the possibility of legal proceedings concerning such default; and

(*b*) the consumer would not thereby be subject to terms less favourable than those laid down in the initial credit agreement,

shall be subject only to regulations 1 to 4, 5(3), 5(4), the application of regulation 7(*a*) to (*f*), paragraph (*h*), (*i*), and (*m*) in so far as the information to be included in credit agreements, 8, 9, 11(3), 12(1) limitedly to the first sentence thereof regarding the consumer credit referred to in sub-regulation 11(3) to be drawn up in writing or on a durable medium, 12(1)(*b*), 12(2), 12(4), 13, 16, 18, 20 to 25.

Provided that credit agreements in the form of an overdraft facility and where the credit has to be repaid on demand or within three months, shall be regulated by sub-regulation (3)(*a*).

PART 4

OBLIGATIONS OF THE CREDITOR AND CREDIT INTERMEDIARY

Obligation to comply with regulations.

5. (1) A creditor shall take all necessary steps to ensure full compliance with these regulations.

(2) For the purpose of this Part, unless otherwise provided, the obligations of the creditor shall equally apply to a credit intermediary where a credit intermediary presents or offers credit agreements to consumers, assists consumers by undertaking preparatory work in respect of credit agreements, or concludes credit agreements with consumers on behalf of the creditor.

Obligation of credit intermediary towards consumers.

(3) Where a credit intermediary participates or intends to participate in terms of sub-regulation (2), a credit intermediary shall:

(*a*) indicate in advertising and documentation intended for consumers, the extent of his powers, in particular

whether he works exclusively with one or more creditors or as an independent broker;

(*b*) disclose the fee, if any, payable by the consumer for his services, which fee shall be agreed in writing or on a durable medium between the consumer and the credit intermediary before the conclusion of the credit agreement; and

(*c*) disclose the fee, if any, payable by the consumer to the credit intermediary for his services to the creditor for the purpose of calculating the annual percentage rate of charge.

(4) Regulations 6 to 9 shall not apply to suppliers of goods or services acting as credit intermediaries in an ancillary capacity. This is without prejudice to the creditor's obligation to ensure that the consumer receives the pre-contractual information referred to under regulations 7 and 8.

Obligation to provide pre-contractual information.

6. (1) In good time before a credit agreement is concluded, a creditor, and where applicable a credit intermediary, on the basis of the credit terms and conditions offered by the creditor, and taking into account the preferences expressed and information supplied by the consumer, shall provide to the consumer the information identified under regulation 7, in order to assist the consumer in comparing different offers and reaching an informed decision on whether to conclude a credit agreement with the creditor.

(2) With respect to credit agreements falling under regulation 7, a creditor and, where applicable, a credit intermediary, shall provide adequate explanations to the consumer in order to place the consumer in a position enabling him to assess whether the proposed credit agreement is adapted to his needs and financial situation, where appropriate by explaining the pre-contractual information provided under regulation 7, the essential characteristics of the products proposed and specific effects they may have on the consumer, including the consequences of default in payment by the consumer.

Content of pre-contractual information.

7. (1) The information to be disclosed by a creditor or credit intermediary to consumers under regulation 6(1), other than consumers whose credit agreement is regulated by regulations 8 and 9, shall specify:

(*a*) the type of credit to be provided under the agreement;

(*b*) the identity and geographical address of the creditor and, where applicable, of the credit intermediary;

(*c*) the total amount of credit to be provided under the agreement and the conditions governing the drawdown of credit;

(*d*) the duration of the credit agreement;

(*e*) in the case of credit in the form of deferred payment for specific goods or services or linked-credit agreements, the goods, services and the cash price thereof;

(*f*) the borrowing rate, the conditions governing the application of that rate and, where available, any index or reference rate applicable to the initial borrowing rate, as well as the periods, conditions, and procedures for changing the borrowing rate; and if different rates apply in different circumstances, the above information shall be supplied in respect of all the applicable rates;

(*g*) the annual percentage rate of charge and the total amount payable by the consumer illustrated by means of a representative example mentioning all the assumptions used in order to calculate that rate. Where the consumer has informed the creditor of one or more components of his preferred credit, such as the duration of the credit agreement and the total amount of credit, the creditor shall take those components into account; if a credit agreement provides different ways of drawdown with different charges or borrowing rates and the creditor uses the assumptions set out in point (*b*) of Part II of the Third Schedule, he shall indicate that other drawdown mechanisms for this type of credit agreement may result in higher annual percentage rates of charge;

(*h*) the amount, number and frequency of payments to be made by the consumer and where appropriate, the order in which payments will be allocated to different outstanding balances charged at different borrowing rates for the purpose of reimbursement;

(*i*) where applicable, the charges for maintaining one or several accounts recording both payment transactions and drawdowns, unless the opening of an account is optional, and the charges for using a means of payment for both payment transactions and drawdowns;

(*j*) where applicable, any other charges deriving from a credit agreement and the conditions under which those charges may be changed;

(*k*) where applicable, a statement that fees will be payable by the consumer to a notary public on conclusion of the credit agreement;

(*l*) the obligation, if any, to enter into a contract for ancillary services relating to the consumer credit agreement, in particular insurance services, where the conclusion of such a contract is compulsory in order to obtain the credit or to obtain it on the terms and conditions marketed;

(*m*) the interest rate applicable in the case of late payments and the arrangements for its adjustment, and where applicable, any charges payable for default;

(*n*) a warning relating to the consequences of missing payments;

(*o*) where applicable, the sureties which need to be

identified by the consumer;

(*p*) in the case of a credit agreement under which payments made by a consumer do not give rise to an immediate corresponding amortisation of the total amount of credit, but are used to constitute capital during periods and under conditions laid down in the credit agreement or in an ancillary agreement, a clear and concise statement that such credit agreements do not provide for a guarantee of repayment of the total amount of credit drawn down under the credit agreement unless such a guarantee is given;

(*q*) the existence or absence of a right of withdrawal;

(*r*) the consumer's right of early repayment, and where applicable the creditor's right to compensation and the way in which compensation is to be determined in accordance with regulation 16;

(*s*) the consumer's right to be informed immediately and free of charge pursuant to regulation 20(2) of the result of a database consultation carried out for the purposes of assessing credit worthiness;

(*t*) if applicable, the period of time during which the creditor is bound by the pre-contractual information; and

(*u*) the consumer's right to be supplied, on request and free of charge from the creditor with a copy of the draft credit agreement. This provision shall not apply if the creditor is at the time of the request unwilling to proceed to the conclusion of the credit agreement with the consumer.

(2) The information under sub-regulation (1) shall be provided by means of the form contained in the First Schedule:

Provided that the creditor shall be deemed to have discharged the obligation of providing information under this regulation and of providing information under regulations 5(1) and (2) of the Distance Selling (Retail Financial Services) Regulations, if the creditor has supplied the information in the form contained in the First Schedule.

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(3) Should the creditor provide to the consumer additional information to that identified under sub-regulation (1), a separate document shall be provided for this purpose, and shall be annexed to the one under sub-regulation (2).

(4) In the case of voice telephony communications as referred to in regulation 5(3) of the Distance Selling (Retail Financial Services) Regulations, the description of the main characteristics of the financial services to be provided pursuant to the second indent of the proviso to regulation 5(5) of those Regulations shall specify, at least:

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(*a*) the total amount of credit and the conditions governing the drawdown;

(*b*) the duration of the credit agreement;

(*c*) the goods, services and the cash price in the case of credit in the form of deferred payment for specific goods or services or linked credit agreements;

(*d*) the borrowing rate, the conditions governing the application of that rate and, where available, any index or reference rate applicable to the initial borrowing rate, as well as the periods, conditions, and procedure for changing the borrowing rate; and if different rates apply in different circumstances, the above information shall be supplied in respect of all the applicable rates;

(*e*) the amount, number and frequency of payments to be made by the consumer and where appropriate, the order in which payments will be allocated to different outstanding balances charged at different borrowing rates for the purpose of reimbursement;

(*f*) the annual percentage rate of charge illustrated by means of a representative example; and

(*g*) the total amount payable by the consumer.

(5) If the agreement has been concluded at the consumer's request using a means of distance communication which does not enable the information to be provided in accordance with sub-regulation (1), in particular in the case referred to in sub-regulation (4), the creditor shall provide the consumer with the full pre-contractual information, using the form under the First Schedule, immediately after the conclusion of the credit agreement.

Pre-contractual information relating to an overdraft facility where credit has to be repaid on demand or within three months. *Amended by: L.N. 28 of 2013.*

8. (1) In the case of a credit agreement which takes the form of an overdraft facility and where the credit has to be repaid on demand or within three months, the creditor and, where applicable, the credit intermediary, shall in good time before the credit agreement is entered into, provide to the consumer, on the basis of the credit terms and conditions offered by the creditor and, if applicable, the preferences expressed and information supplied by the consumer, in order to enable him to compare different offers to take an informed decision on whether to conclude a credit agreement, with information which shall specify:

(*a*) the type of credit to be provided under the agreement;

(*b*) the identity and geographical address of the creditor and, where applicable, of the credit intermediary;

(*c*) the total amount of credit to be provided under the agreement;

(*d*) the duration of the credit agreement;

(*e*) the borrowing rate, the conditions governing the application of that rate and any index or reference rate applicable to the initial borrowing rate, the charges applicable from the time the credit agreement is concluded, and where applicable, the conditions under which those charges may be changed;

(*f*) the conditions and procedure for terminating the credit agreement;

(*g*) where applicable, an indication that the consumer may be requested to repay the amount of credit in full at any time;

(*h*) the interest rate applicable in the case of late payment and the arrangements for its adjustment, and where applicable, any charges payable for default;

(*i*) the charges applicable from the time the agreement is concluded and, where applicable, the conditions under which those charges may be changed;

(*j*) the consumer's right to be informed immediately and free of charge pursuant to regulation 20(2) of the result of a database consultation carried out for the purposes of assessing creditworthiness; and

(*k*) if applicable, the period of time during which the creditor is bound by the pre-contractual information.

(2) The information under sub-regulation (1) shall be provided on paper or on another durable medium and all information shall be equally prominent. It may be provided by means of the form contained in the Second Schedule:

Provided that the creditor shall be deemed to have discharged the obligation of providing information under this regulation and the information under regulations 5(1) and (2) of the Distance Selling (Retail Financial Services) Regulations, if the creditor has supplied the information contained in the Second Schedule.

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(3) In the case of voice telephony communication and where the consumer requests that the overdraft facility be made available with immediate effect, the description of the main characteristics of the financial service shall include at least the items identified under sub-regulation (1)(c), (e) and (g). In addition, in credit agreements of the kind referred to in sub-regulation (4), the description of the main characteristics shall include a specification of the duration of the credit agreement.

Pre-contractual information relating to arrangements agreed by the consumer and creditor in respect of deferred payments.

(4) In the case of a credit agreement as referred to in regulation 4(4) the creditor shall provide the consumer with:

(*a*) the information provided for under sub-regulation (1)(*a*) to (*f*), (*h*), (*j*), (*k*);

(*b*) the amount, number and frequency of payments to be made by the consumer and, where appropriate, the order in which payments will be allocated to different outstanding balances charged at different borrowing rates for the purposes of reimbursement;

(*c*) the right to early repayment, and where applicable, information concerning the creditor's right to compensation and the way in which that compensation will be determined; and

(*d*) the annual percentage of charge, illustrated by means

of representative examples, mentioning all the assumptions used in order to calculate that rate:

Provided that where the credit agreement is in the form of an overdraft facility and where the credit has to be repaid on demand or within three months, it shall be regulated by sub-regulation (1).

(5) If the agreement has been concluded at the consumer's request using a means of distance communication which does not enable the information to be provided in accordance with sub-regulations (1), (2) and (4), including in the cases referred to in sub-regulation (3), the creditor shall immediately, after the conclusion of the credit agreement, fulfil his obligations under sub-regulations (1), (2) and (4) by providing the contractual information pursuant to regulation 12 in so far as that regulation is applicable.

Pre-contractual information relating to an overdraft facility where credit has to be repaid within one month.

9. Notwithstanding regulation 4(2)(*f*), the requirements of the first sentence of regulation 8(3) shall apply to credit agreements in the form of an overdraft facility and where the credit has to be repaid within one month.

Creditworthiness.

10. (1) Before the conclusion of a credit agreement, the creditor shall assess the creditworthiness of the consumer on the basis of sufficient information, where appropriate, obtained from the consumer and, where necessary on the basis of a consultation of the relevant database.

(2) If the parties agree to change the total amount of credit after the conclusion of the credit agreement, the creditor shall:

(*a*) update the financial information at his disposal concerning the consumer; and

(*b*) assess the consumer's creditworthiness,

before the total amount of credit is significantly increased.

PART 5

RIGHTS OF THE CONSUMER

Right to receive copy of agreement.

11. (1) The consumer shall be entitled to receive, free of charge, and upon request, a copy of the draft consumer credit agreement.

(2) Sub-regulation (1) does not apply if the creditor is, at the time of the consumer's request, unwilling to proceed to the conclusion of the credit agreement with the consumer.

(3) On conclusion of the consumer credit agreement, all contracting parties shall be entitled to receive, a copy of the final agreement.

Content of consumer credit agreement.
Amended by: L.N. 28 of 2013.

12. (1) The consumer credit agreement referred to in regulation 11(3) shall be drawn up in writing or on a durable medium and shall specify, in a clear and concise manner, the following:

(*a*) the information listed under regulation 7(1)(*a*), (*c*) to

(*f*), (*h*), (*i*), (*j*), (*n*) and (*o*);

(*b*) the identities and geographical addresses of the contracting parties as well as, if applicable, the identity and geographical address of the credit intermediary involved;

(*c*) the annual percentage rate of charge and the total amount payable by the consumer calculated at the time the credit agreement is concluded:

Provided that all the assumptions used in calculating that rate shall be mentioned;

(*d*) where capital amortisation of a credit agreement with a fixed duration is involved, the right of the consumer to receive, on request and free of charge, at any time throughout the duration of the credit agreement, a statement of account in the form of an amortisation table.

The amortisation table shall:

(i) indicate the payments owing and the periods and conditions relating to the payment of such amounts;

(ii) contain a breakdown of each repayment showing capital amortisation, the interest calculated on the basis of the borrowing rate and where applicable any additional costs;

(iii) where the interest is not fixed or the additional costs may be changed under the credit agreement, it shall indicate clearly and concisely that the data contained in the table will remain valid only until such time as the borrowing rate or the additional costs are changed in accordance with the credit agreement;

(*e*) an indication, where applicable, that the consumer may, at any time, upon demand be requested to repay the amount of credit in full;

(*f*) the interest rate applicable in the case of late payments as applicable at the time of the conclusion of the credit agreement and the arrangement for its adjustment and, where applicable, any charges payable for default;

(*g*) the existence or absence of a right of withdrawal together with conditions attached to such right, which conditions shall include:

(i) the period during which the right may be exercised;

(ii) the information concerning the obligation of the consumer to pay the capital drawn down and the interest in accordance with regulation 14(3)(*b*); and

(iii) the amount of interest payable per day;

(*h*) information concerning the rights resulting under

regulations 15 and 16 and the conditions attached to those rights;

(*i*) the procedure to be followed in exercising the right of termination of the credit agreement;

(*j*) whether or not there is an out-of-court procedure for the consumer to make a complaint, the redress mechanism available and the methods for having access to it;

(*k*) where applicable, the name and address of the competent supervisory authority;

(*l*) where applicable, other contractual terms and conditions; and

(*m*) where applicable, a statement, that notarial fees will be payable.

(2) In the case of a credit agreement under which payments made by the consumer do not give rise to an immediate corresponding amortisation of the total amount of credit, but are used to constitute capital during periods and under the conditions laid down in the credit agreement or in an ancillary agreement, the information contained in sub-regulation (1) shall, unless a guarantee is provided, include a clear and concise statement that such credit agreements do not provide a guarantee of repayment of the total amount of credit drawn down under the credit agreement.

(3) In the case of a credit agreement falling under regulation 8(1), the agreement shall specify, in a clear and precise manner, the following information:

(*a*) the type of credit;

(*b*) the identities and geographical addresses of the contracting parties, and where applicable, of the credit intermediary involved;

(*c*) the total amount of the credit and the conditions governing the drawdown;

(*d*) the borrowing rate, the conditions governing the application of that rate, and, where available any index or reference rate applicable to the initial borrowing rate, as well as the periods, conditions and procedure for changing the borrowing rate; if different borrowing rates apply in different circumstances, the above information should be made applicable to all the respective rates;

(*e*) an indication that the consumer may, at any time, upon demand be requested to repay the amount of credit in full;

(*f*) conditions relating to the exercise of the right of withdrawal from the credit agreement;

(*g*) information concerning the charges applicable from the time the agreement is concluded and, where applicable, the conditions under which those charges may be changed; and

(*h*) the duration of the credit agreement.

(4) (*a*) Should there be a change in the borrowing rate, the creditor shall:

(i) inform the consumer of such a change before the change enters into force;

(ii) communicate the information in writing or on a durable medium;

(iii) inform the consumer of the amount of payments to be made after the entry into force of the new borrowing rates; and

(iv) if the number or frequency of the payments changes, provide the consumer with the particulars of such payment changes.

(*b*) However, the parties may agree in the credit agreement that the information referred to in paragraph (*a*) is to be given to the consumer periodically in cases where the change in the borrowing rate is caused by a change in a reference rate, the new reference rate is made publicly available by appropriate means, which may include a publication on the creditor's website or a public advert, and the information concerning the new reference rate is also kept available in the premises of the creditor.

Information regarding the modification of the terms and conditions of a credit agreement. *Added by: L.N. 17 of 2024.*

(4A) Without prejudice to other obligations provided for in these regulations, prior to modifying the terms and conditions of the credit agreement, the creditor shall communicate the following information to the consumer:

(*a*) a clear description of the proposed changes and, where applicable, of the need for consumer consent or of the changes introduced by operation of law;

(*b*) the time period for the implementation of the changes referred to in paragraph (a);

(*c*) the means for complaint available to the consumer regarding the changes referred to in paragraph (a);

(*d*) the time period available for filing any such complaint;

(*e*) the name and address of the Arbiter for Financial Services as established under the Arbiter for Financial Services Act before whom the consumer may submit the said complaint.

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(5) Where the credit agreement covers credit in the form of an overdraft facility:

(*a*) the consumer is entitled to be kept regularly informed in writing or on a durable medium by means of a statement of account of:

(i) the precise period to which the statement of

account relates;

(ii) the amounts and dates of drawdowns;

(iii) the balance from the previous statement and the date thereof;

(iv) the new balance;

(v) the dates and amounts of payments made by the consumer;

(vi) the borrowing rate applied;

(vii) any charges that have been applied; and

(viii) where applicable, the minimum amount to be paid;

(*b*) should there be a change in the borrowing rate or in any charges payable, the consumer is entitled to be informed in writing or on a durable medium by the creditor of the change involved and before the change enters into force;

(*c*) however, the parties may agree in the credit agreement that information concerning the changes in the borrowing rate is to be given in the manner provided for in paragraph (*a*) in cases where the change in the borrowing rate is caused by a change in the reference rate, the new reference rate is made publicly available by appropriate means, which may include a publication on the creditor's website or a public advert, and the information concerning the new reference rate is also kept available in the premises of the creditor.

(6) Where sub-regulation (1)(*d*) applies, the creditor shall make available to the consumer, free of charge and at any time throughout the duration of the credit agreement, a statement of account in the form of an amortisation table.

Right to terminate an open-end credit agreement.

13. (1) A consumer is entitled to terminate an open-end credit agreement at any time and free of charge.

(2) A consumer credit agreement may however provide for a period of notice not exceeding one month before termination by the consumer.

(3) If provided for in the agreement, the creditor may terminate an open-end consumer credit agreement by giving the consumer not less than two months notice in writing or on a durable medium.

(4) A creditor may not terminate the consumer's right to drawdown credit under an open-end consumer credit agreement unless such termination is provided for in the agreement and is for an objectively justified reason.

For the purpose of this sub-regulation "objectively justified reasons" include suspicion by the creditor that the consumer is involved in an unauthorised or fraudulent use of a credit, or that there is a significant risk that the consumer will be unable to fulfil his obligation to pay the credit.

(5) Where the creditor intends to invoke sub-regulation (4), he shall inform in writing or on a durable medium the consumer of the termination and reasons leading to such termination before the date of termination or, if that is not practicable, immediately thereafter.

(6) Sub-regulation (5) shall not apply where provision of the information would be contrary to public policy or public security or is unlawful.

Right to withdraw.

14. (1) A consumer has a right to withdraw from a credit agreement without giving any reasons.

(2) The consumer's right to withdraw must be exercised within fourteen (14) running days which period starts to run either:

(*a*) from the day of the conclusion of the credit agreement; or

(*b*) from the day when the consumer receives the contractual terms and conditions and information in accordance with regulations 12(1) to (3), if that day is later than the date referred to in paragraph (a):

Provided that for the purpose of credit facilities granted by banking institutions which necessitate the issue of a letter of acceptance, the credit agreement shall be deemed to be concluded on the day the consumer accepts in writing or on a durable medium, the terms and conditions listed in the agreement relative to such credit facilities, including a sanction letter.

(3) If the consumer exercises his right of withdrawal, he shall:

(*a*) in order to give effect to the withdrawal before the expiry of the period specified in sub-regulation (2), notify the creditor in conformity with the information given to the consumer under regulation 12(1)(*g*) by means which can be proved according to law. The deadline shall be deemed to have been met if that notification, if in writing or on a durable medium that is available and accessible to the creditor, is dispatched before the deadline expires;

(*b*) repay to the creditor the credit provided and pay the interest accrued on it, to be calculated on the basis of the borrowing rate specified in the credit agreement, from the date the credit was drawn down until the date it is repaid, without any undue delay and no later than thirty (30) running days after giving a notification in accordance with paragraph (*a*):

Provided that the creditor shall not be entitled to any other compensation from the consumer in the event of withdrawal, except compensation for any non-refundable charges paid by the creditor to any public administrative body.

(4) Where an ancillary service relating to a consumer credit agreement is provided by the creditor or by a third party on the basis of an agreement between the third party and the creditor, the consumer shall not be bound by the ancillary service agreement if the consumer exercises his right of withdrawal in accordance with

this regulation.

(5) In virtue of sub-regulations (1) to (4), regulations 7 and 8 of the Distance Selling (Retail Financial Services) Regulations and regulation 6 of the Distance Selling Regulations shall not apply. S.L. 330.07. S.L. 378.08.

(6) Sub-regulations (1) to (4) shall not apply to credit agreements which by law are required to be concluded before a Notary Public:

Provided that the non-application of sub-regulations (1) to (4) is subject to a confirmation by the Notary Public that the consumer is guaranteed the rights provided for under regulations 7 and 12.

Right of consumer to pursue claim against grantor of credit.

15. (1) Where the consumer has exercised a right of withdrawal, concerning a contract for the supply of goods or services, he shall no longer be bound by a linked credit agreement.

(2) A consumer shall have the right to take action against the grantor of credit where:

(*a*) in order to buy goods or obtain services, the consumer enters into a credit agreement with a creditor other than the supplier of such goods or services;

(*b*) the grantor of the credit and the supplier of the goods or services have a pre-existing agreement whereunder credit is made exclusively by that grantor of credit to customers of that supplier for the acquisition of goods or services from that supplier;

(*c*) the consumer referred to in paragraph (a) obtains his credit pursuant to that pre-existing agreement;

(*d*) the goods or services covered by the linked credit agreement are either not supplied, are supplied only in part, or are not in conformity with the contract for the supply thereof; and

(*e*) the consumer has pursued his remedies against the supplier but has failed to obtain the remedy to which he is entitled to according to the law or the contract for the supply of goods or services.

Right to early repayment.

16. (1) A consumer shall have the right to discharge his obligations under a consumer credit agreement, in full or in part, before the agreed termination.

(2) If the consumer pays the creditor before the agreed termination:

(*a*) the consumer shall be entitled to a reduction of total costs of the credit consisting of the interest and the costs for the remaining duration of the credit; and

(*b*) the creditor shall be entitled to a fair and objectively justified compensation for possible costs directly linked to early repayment of credit so long as the early repayment falls within a period for which the borrowing rate is fixed.

(3) The compensation referred to under sub-regulation (2)(b) may not exceed:

(*a*) 1% of the amount of credit repaid early, if the period of time between the early repayment and the agreed termination of the credit agreement exceeds one year; and

(*b*) 0.5% of the amount of credit repaid early, if the period of time between the early repayment and the agreed termination of the credit agreement does not exceed one year.

(4) (*a*) The limitations under sub-regulation (3) in terms of the amount of compensation which may be claimed by the creditor shall exceptionally not apply if the creditor proves that the loss suffered from early repayment exceeds the amount determined under the said sub-regulation (3); and

(*b*) A consumer may claim a corresponding reduction to the compensation claimed by the creditor if the compensation claimed exceeds the loss actually suffered.

For the purpose of this sub-regulation, the loss suffered shall consist of the difference between the initial agreed interest rate and the interest rate at which the creditor can lend out the money repaid early on the market at the time of early repayment. Consideration shall also be given to the impact of early repayment on administrative costs.

(5) Compensation for early repayment under sub-regulation (2)(*b*) shall not apply:-

(*a*) if the repayment has been made under an insurance contract intended to provide a credit repayment guarantee;

(*b*) in the case of an overdraft facility;

(*c*) if the repayment falls within a period for which the borrowing rate is not fixed; or

(*d*) if the amount of early repayment does not exceed three thousand euro (€3,000) within any period of twelve months.

(6) A creditor may not claim compensation which is in excess to the amount of interest which the consumer would have paid during the period between the early repayment and the agreed date of termination of the credit agreement.

Arrears and enforcement. *Added by: L.N. 17 of 2024.*

16A. (1) Creditors shall have adequate policies and procedures to ensure that they make efforts to exercise, where appropriate, reasonable forbearance before enforcement proceedings are instituted. The said forbearance measures shall take into account, among other elements, the consumer's circumstances and among other possibilities may consist of:

(*a*) a total or partial refinancing of a credit agreement;

(*b*) a modification of the existing terms and conditions of a credit agreement, which may include among others:

(i) extending the term of the credit agreement;

(ii) changing the type of credit agreement;

(iii) deferring payment of all or part of the instalment repayment for a period;

(iv) changing the interest rate;

(v) offering a payment holiday;

(vi) partial repayments;

(vii) currency conversions;

(viii) partial forgiveness and debt consolidation:

Provided that the list of forbearance measures stipulated in this sub-regulation is without prejudice to rules set out in national law, including in particular the national provisions implementing the European Banking Authority Guidelines on management of non-performing and forborne exposures (EBA/GL/2018/06) and the European Central Bank Guidance to banks on non-performing loans.

(2) Where the creditor is permitted to define and impose charges on the consumer arising from the default, those charges shall not be greater than is necessary to compensate the creditor for costs it has incurred as a result of the default.

Assignment of rights and set-off.

17. (1) Where the rights of the creditor under a credit agreement are, or the agreement itself is, assigned to a third party, the consumer shall be entitled to raise against that assignee, any defence available to him against the original creditor. Such defence may also include the right to set-off:

Provided that set-off may only be raised in accordance with the relevant provisions of articles 1196 to 1204 of the Civil Code, which shall apply irrespective of anything to the contrary contained in the credit agreement.

Cap. 16.

(2) Where the rights of the credit are assigned under sub-regulation (1), the consumer is entitled to be informed of such assignment, except where the original creditor, by agreement with the assignee, continues to service the credit towards the consumer.

Overrunning.

18. (1) Where a consumer enters into an agreement to open a current account and the consumer is allowed an overrun, the agreement shall contain in addition information relating to:

(*a*) the borrowing rate;

(*b*) the conditions governing the application of that rate;

(*c*) the index or reference rate applicable to the initial borrowing rate;

(*d*) the charges applicable from the time the credit agreement is concluded; and

(*e*) the conditions under which those charges may be changed, if applicable.

(2) In the event of a significant overrunning exceeding a period of one month, the creditor shall inform the consumer without delay of the overrunning in writing or on a durable medium of the amount involved, the borrowing rate and, of any penalties, charges or interest on arrears which are applicable.

(3) The agreement under sub-regulation (1) shall be in writing or on a durable medium and provided on a regular basis.

PART 6

MISCELLANEOUS

Advertisements. *Amended by: L.N. 28 of 2013.*

19. (1) Without prejudice to the provisions relating to unfair commercial practices under the Act, where a credit advertisement includes an interest rate or any figure relating to the cost of the credit to the consumer, the advertisement shall also include standard information by means of a representative example in accordance with sub-regulation (2).

(2) The representative example referred to in sub-regulation (1) shall specify and comprise in a clear, concise and prominent way, the following items of information:

(*a*) the borrowing rate, whether fixed, variable or both;

(*b*) particulars of any charges included in the total cost of credit to the consumer;

(*c*) the total amount of credit;

(*d*) the annual percentage rate of charge except in the case of credit agreements referred to in regulation 8;

(*e*) the duration of the agreement;

(*f*) in the case of credit in the form of a deferred payment for specific goods or services, the cash price and the amount of any advance payment;

(*g*) if applicable, the total amount payable by the consumer; and

(*h*) if applicable, the amount of each repayment of credit.

(3) (*a*) A credit advertisement shall include a clear and concise statement in respect of any obligation to enter into a contract in respect of an ancillary service relating to the credit agreement, in particular an insurance service, where:

(i) the conclusion of that service is compulsory in order to obtain the credit or to obtain it on the terms and conditions advertised; and

(ii) the cost of that service cannot be determined in

advance.

(*b*) The obligation referred to in paragraph (*a*) shall be advertised in a prominent way and accompanied by the annual percentage rate of charge.

Cross-border credit.

20. (1) A creditor from another Member State who intends to or has entered into a credit agreement with a consumer in Malta, shall have access under the conditions as a Maltese creditor, to the databases which are available in Malta in order to assess the creditworthiness of the consumer:

Provided that a request by a creditor for access to the said database may be refused by the holder of the database if the information to be provided is prohibited by any other law, or is contrary to the public policy or public security of Malta.

(2) If the credit application is rejected on the basis of consultation of a database, the creditor shall inform the consumer immediately and without charge of the result of such consultation and of the particulars of the database consulted.

(3) This regulation is without prejudice to the application of the Data Protection Act. Cap. 586.

Calculation of the annual percentage rate of charge.

21. (1) The annual percentage rate of charge means the total cost of the credit to the consumer, expressed as an annual percentage of the total amount of credit.

(2) The annual percentage rate of charge, equating, on an annual basis, to the present value of all commitments (drawdowns, repayments and charges), future or existing, agreed by the creditor and consumer, shall be calculated in accordance with the mathematical formula set out in Part I of the Third Schedule.

(3) The following costs shall be included in the total cost of credit to the consumer:

(*a*) the costs of maintaining an account recording both payment transactions and drawdowns;

(*b*) the costs of using a means of payment for both payment transactions and drawdowns; and

(*c*) other costs relating to payment transactions.

(4) The costs mentioned in sub-regulation (3) shall not be included in the total cost of credit to the consumer where the opening of the account is optional and the costs of the account have been clearly and separately shown in the consumer credit agreement or in any other agreement concluded with the consumer.

(5) For the purpose of calculating the annual percentage rate of charge, the total cost of the credit to the consumer shall be determined, with the exception of any charges payable by the consumer for non-compliance with any of his commitments laid down in the credit agreement and charges other than the purchase price which, for purchases of goods or services, he is obliged to pay whether the transaction is effected in cash or on credit.

(6) The calculation of the annual percentage rate of charge

shall be based on the assumption that:

(*a*) the credit agreement is to remain valid for the period agreed and that the creditor and the consumer will fulfil their obligations under the terms and by the dates specified in the credit agreement; and

(*b*) the borrowing rate and other charges will remain fixed in relation to the initial level and will remain applicable until the end of the credit agreement in the circumstance that the credit agreement contains a clause allowing variations in the borrowing rate and, where applicable, charges contained in the annual percentage rate of charge but unquantifiable at the time of calculation.

(7) Where necessary the additional assumptions set out in the Third Schedule may be used in calculating the annual percentage rate of charge.

Monitoring and investigations. *Amended by: XVI.2019.72.*

22. It shall be the responsibility of the Director General under these regulations to:

(*a*) monitor the working and effectiveness of these regulations and to take such measures as he deems necessary in order to ensure compliance with these regulations;

(*b*) supervise the creditors and credit intermediaries, and ensure that there is compliance by them with the obligations identified under these regulations; and

(*c*) ensure that the rights granted to consumers by these regulations are not diminished by the provision of any other law.

(*d*) investigate any alleged infringements and, as may be necessary, institute judicial proceedings before the Civil Court according to the Act.

Investigations, judicial proceedings, penalties and the right of appeal. *Substituted by: XVI.2019.72.*

23. (1) The Director General shall proceed according to article 12, and where, upon the conclusion of an investigation, it appears *prima facie* to the Director General, that an infringement of these regulations has occurred, the Director General shall institute judicial proceedings against the person concerned before the Civil Court by means of a sworn application and the provisions of Part IIA shall apply to these judicial proceedings.

(2) Subject to the provisions of Part IIA, the Civil Court, in its judgement, shall impose a penalty and issue such order, or take such measure as it may deem appropriate in terms of the Act, upon any person who contravenes or fails to comply with any of the provisions of these regulations.

(3) Any person who contravenes any provision of these regulations shall be guilty of an infringement punishable by a penalty of not less than one thousand euro (€1,000) and not exceeding forty-

five thousand euro (€45,000).

(4) In the case of non-compliance with a compliance order, the Civil Court shall also impose a daily penalty of not less than one hundred and thirty euro (€130) and not more than two hundred and thirty euro (€230) for each day of non-compliance.

(5) In determining the amount of the penalty specified in this regulation, the Civil Court shall be guided by the following considerations:

(*a*) for infringements under these regulations, the basic amount of the penalty shall be twenty thousand euro (€20,000):

Provided that the Civil Court may, in setting the penalty, take into account circumstances that may lead to an increase or decrease in the basic amount:

Provided further that the Civil Court shall do so on the basis of an overall assessment which takes into account all the relevant circumstances, including the value of the credit under the credit agreement and the turnover of the creditor;

(*b*) the Civil Court may impose a higher penalty than the basic amount where there are aggravating circumstances, having regard, in particular, to the gravity and duration of the infringement and, or to the amount of gains improperly made as a result of the infringement;

(*c*) without prejudice to the generality of paragraph (b), the following shall in all cases be deemed as aggravating circumstances:

(i) a second or subsequent infringement;

(ii) where the infringement constitutes an unfair commercial practice in terms of the Act; and

(*d*) the basic amount may be decreased where the Civil Court finds that there are mitigating circumstances in particular:

(i) where the creditor or the credit intermediary, as the case may be, provides evidence that he terminated the infringement concerned prior to or as soon as the Director General commenced an investigation;

(ii) where the creditor or the credit intermediary, as the case may be, provides evidence that he has taken adequate steps to reduce the negative

effects of the infringement.

Cap. 510.

(6) In discharging his functions under these regulations, the Director General shall have the same powers as prescribed under the Act except where competences are assigned to the Civil Court by the Act and by the Malta Competition and Consumer Affairs Authority Act.

(7) Any person who feels aggrieved by a judgement, order, penalty or measure issued by the Civil Court, may appeal before the Court of Appeal, on any point of law and, or of fact, by means of an application filed in the registry of the Court of Appeal within twenty days from the date of the judgment of the Civil Court:

Provided that the Court of Appeal shall appoint the case for hearing by not later than six months from the judgement of the Civil Court.

Regulations to prevail.
Amended by: L.N. 28 of 2013.

24. (1) The provisions of these regulations shall prevail and apply notwithstanding anything to the contrary contained in any credit agreement entered into by the consumer.

(2) Any waiver by the consumer of any of the rights granted to him by these regulations shall be null and void.

(3) The provisions of these regulations cannot be circumvented as a result of the way in which agreements are formulated, in particular by integrating drawdowns or credit agreements falling within the scope of these regulations into credit agreements the character or purpose of which would make it possible to avoid its application.

(4) Notwithstanding any provision in the credit agreement to the effect that the applicable law to the credit agreement shall be the law of a non-Member State, the protection granted by these regulations shall continue to apply where the credit agreement has a close link with the territory of Malta or of any other Member State.

Savings.
S.L. 378.10

25. (1) The Consumer Credit Regulations, 2005*, shall, as from the date of coming into force of these regulations, be repealed except for -

(*a*) regulation 5, the Second Schedule and the Third Schedule; and

(*b*) regulations 3, 4, 6, 7(1), 9 to 12, 14, 16 to 18, and the First, Fourth and Fifth Schedules in so far as applicable to home loans.

(2) Without prejudice to sub-regulation (1), agreements entered into under the Consumer Credit Regulations, 2005, before the coming into force of these regulations, shall remain in force and be regulated by the terms and conditions applicable thereto.

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*eventually repealed by Legal Notice 415 of 2011, as from 1st January, 2012.

FIRST SCHEDULE

[Regulation 7]

STANDARD EUROPEAN CONSUMER CREDIT INFORMATION

1. Identity and contact details of the creditor/credit intermediary

Creditor Address Telephone Number (*) E-mail address (*) Fax Number (*) Web address (*)	[Identity] Geographical address to be used by the consumer]
If applicable Credit Intermediary Address Telephone Number (*) E-mail address (*) Fax Number (*) Web address (*)	[Identity] [Geographical address to be used by the consumer]

(*) This information is optional for the creditor.

Wherever "if applicable" is indicated, the creditor must fill in the box if the information is relevant to the credit product or delete the respective information or the entire row if the information is not relevant for the type of credit considered.

Indications between square brackets provide explanations for the creditor and must be replaced with the corresponding information.

2. Description of the main features of the credit product

The type of credit	
The total amount of credit *This means the ceiling or the total sums made available under the credit agreement*	
The conditions governing the drawdown *This means how and when you will obtain the money*	
The duration of the credit agreement	
Instalments and, where appropriate, the order in in which the instalments will be allocated	You will have to pay the following: [The amount, number and frequency of payments to be made by the consumer] Interest and/or charges will be payable in the following manner:
The total amount you will have to pay *This means the amount of borrowed capital plus interest and possible costs related to your credit.*	[Sum of total amount of credit and total cost of credit]
If applicable The credit is granted in the form of a deferred payment for a good or service or is linked to the supply of specific goods or the provision of a service Name of good/service Cash price	
If applicable Sureties required *This is a description of the security to be provided by you in relation to the credit agreement.*	[Kind of Sureties]

If applicable *Repayments do not give rise to immediate amortisation of the capital.*	

3. Costs of the credit

The borrowing rate or, if applicable, different borrowing rates which apply to the credit agreement	[% - fixed or, - variable (with the index or reference rate applicable to the initial borrowing rate), - periods],
Annual Percentage Rate of Charge (APR) This is the total cost expressed as an annual percentage of the total amount of credit. The APR is there to help you compare different offers.	[% A representative example mentioning all the assumptions used for calculating the rate to be set out here]
Is it compulsory, in order to obtain the credit or to obtain it on the terms and conditions marketed, to take out - an insurance policy securing the credit, or - another ancillary service contract If the costs of these services are not known by the creditor they are not included in the APR.	Yes/No [if yes specify the kind of insurance] Yes/No [if yes specify the kind of ancillary service]
Related Costs	
If applicable Maintaining one or more accounts is required for recording both payments transactions and drawdowns	
If applicable Amount of costs for using a specific means of payment (e.g. credit card)	
If applicable Any other costs deriving from the credit agreement	
If applicable Conditions under which the above mentioned costs related to the credit agreement can be changed	
If applicable Obligation to pay notarial fees	
Costs in the case of late payments *Missing payments could have severe consequences for you (e.g. forced sale) and make obtaining credit more difficult.*	You will be charged [..... (applicable interest rate and arrangements for its adjustment and, where applicable, default charges)] for missing payments.

4. Other important legal aspects

Right of Withdrawal *You have the right to withdraw from the credit agreement within a period of 14 running days.*	Yes/No
Early Repayment You have the right to repay the credit early at any time in full or partially.	
If applicable The creditor is entitled to compensation in the case of early repayment.	[Determination of the compensation (calculation method) in accordance with the provisions implementing regulation 16 of the Consumer Credit Regulations, 2010.

Consultation of a database *The creditor must inform you immediately and without charge of the result of a consultation of a database, if a credit application is rejected on the basis of such a consultation. This does not apply if the provision of such information is prohibited by European Community law or is contrary to objectives of public policy or public security.*	
Right to a draft agreement *You have the right, upon request, to obtain a copy of the draft credit agreement free of charge. This provision does not apply if the creditor is at the time of the request unwilling to proceed to the conclusion of the credit agreement with you.*	
If applicable The period of time during which the creditor is bound by the pre-contractual information	This information is valid from … until …

If applicable

5. Additional information in the case of distance marketing of financial services

(a) concerning the creditor	
If applicable Representative of the creditor in your Member State of residence Address Telephone Number (*) E-mail address (*) Fax Number (*) Web address (*)	[Identity] [Geographical address to be used by the consumer]
If applicable Registration	[The trade register in which the creditor is entered and his registration number or an equivalent means of identification in that register]
If applicable The supervisory authority	
(b) concerning the credit agreement	
If applicable Exercise of the right of withdrawal The law taken by the creditor as a basis for the establishment of relations with you before the conclusion of the credit contract	[Practical instructions for exercising the right of withdrawal indicationg, inter alia, the period for exercising the right, the address to which notification of exercise of the right of withdrawal should be sent and the consequences of non-exercise of that right]
If applicable Clause stipulating the governing law applicable to the credit agreement and/or the competent court	[Relevant Clause to be set out here]
If applicable Language regime	Information and contractual terms will be supplied in [specific language]. With your consent, we intend to communicate in [specific language/languages] during the duration of the credit agreement.
(c) concerning redress	

Existence of and access to out-of-court complaint and redress mechanism	[Whether or not there is an out-of-court complaint and redress mechanism for the consumer who is party to the distance contract and, if so, the methods of access to it]

(*) This information is optional for the creditor.

SECOND SCHEDULE

[Regulation 8]

EUROPEAN CONSUMER CREDIT INFORMATION FOR

(1) overdrafts

(2) debt conversion

1. Identity and contact details of the creditor/credit intermediary

Creditor Address Telephone Number (*) E-mail address (*) Fax Number (*) Web address (*)	[Identity] [Geographical address to be used by the consumer]
If applicable Credit Intermediary Address Telephone Number (*) E-mail address (*) Fax Number (*) Web address (*)	[Identity] [Geographical address to be used by the consumer]

(*) This information is optional for the creditor.

Wherever "if applicable" is indicated, the creditor must fill in the box if the information is relevant to the credit product or delete the respective information or the entire row if the information is not relevant for the type of credit considered.

Indications between square brackets provide explanations for the creditor and must be replaced with the corresponding information.

2. Description of the main features of the credit product

The type of credit	
The total amount of credit *This means the ceiling or the total sums made available under the credit agreement*	
The duration of the credit agreement	
If applicable You may be requested to repay the amount of credit in full on demand at any time.	

3. Costs of the credit

The borrowing rate or, if applicable, different borrowing rates which apply to the credit agreement	[% - fixed or, - variable (with the index or reference rate applicable to the initial borrowing rate)]

If applicable Annual Percentage Rate of Charge (APR) This is the total cost expressed as an annual percentage of the total amount of credit. The APR is there to help you compare different offers.	[% A representative example mentioning all the assumptions used for calculating the rate to be set out here]
If applicable Costs If applicable The conditions under which those costs may be changed	[The costs applicable from the time the credit agreement is concluded]
Costs in the case of late payments	You will be charged [..... (applicable interest rate and arrangements for its adjustment and, where applicable, default charges)] for missing payments.

4. Other important legal aspects

Termination of the credit agreement	[The conditions and procedure for terminating the credit agreement]
Consultation of a database *The creditor must inform you immediately and without charge of the result of a consultation of a database, if a credit application is rejected on the basis of such a consultation. This does not apply if the provision of such information is prohibited by European Community law or is contrary to objectives of public policy or public security.*	
If applicable The period of time during which the creditor is bound by the pre-contractual information	This information is valid from … until …

If applicable

5. Additional information to be given where the precontractual information relates to a consumer credit for debt conversion.

Instalments and, where appropriate, the order in which the instalments will be allocated	You will have to pay the following: [Representative example of an instalment table including the amount, number and frequency of payments to be made by the consumer]
The total amount you will have to pay	
Early Repayment *You have the right to repay the credit early at any time in full or partially.* If applicable The creditor is entitled to compensation in the case of early repayment.	[Determination of the compensation (calculation method) in accordance with the provisions implementing Regulation 16 of the Consumer Credit Regulations, 2010]

If applicable

6. Additional information in the case of distance marketing of financial services

(a) concerning the creditor	

If applicable Representative of the creditor in your Member State of residence Address Telephone Number (*) E-mail address (*) Fax Number (*) Web address (*)	[Identity] [Geographical address to be used by the consumer]
If applicable Registration	[The trade register in which the creditor is entered and his registration number or an equivalent means of identification in that register]
If applicable The supervisory authority	
(b) concerning the credit agreement	
Right of withdrawal *You have the right to withdraw from the credit agreement within a period of 14 running days* If applicable Exercise of the right of withdrawal	Yes/No [Practical instructions for exercising the right of withdrawal indicating, inter alia, the address to which notification of the exercise of withdrawal should be sent and the consequences of non-exercise of that right]
If applicable The law taken by the creditor as a basis for the establishment of relations with you before the conclusion of the credit contract	
If applicable Clause stipulating the governing law applicable to the credit agreement and/or the competent court	[Relevant Clause to be set out here]
If applicable Language regime	Information and contractual terms will be supplied in [specific language]. With your consent, we intend to communicate in [specific language/languages] during the duration of the credit agreement.
(c) concerning redress	
Existence of and access to out-of-court complaint and redress mechanism	[Whether or not there is an out-of-court complaint and redress mechanism for the consumer who is party to the distance contract and, if so, the methods of access to it]

(*) This information is optional for the creditor.

THIRD SCHEDULE

Amended by:
L.N. 28 of 2013.

[Regulation 21]

I. The basic equation expressing the equivalence of drawdowns on the one hand and repayments and charges on the other.

The basic equation, which establishes the annual percentage rate of charge (APR), equates, on an annual basis, the total present value of drawdowns on the one hand and the total present value of repayments and payments of charges on the other hand, i.e.:

$$\sum_{k=1}^{m} C_k(1+X)^{-t_k} = \sum_{l=1}^{m'} D_l(1+X)^{-S_l}$$

Where:

$\sum$ is the APR,

m is the number of the last drawdown,

k is the number of a drawdown, thus $1 \leq k \leq m$,

C_k is the amount of drawdown k,

t_k is the interval, expressed in years and fractions of a year, between the date of the first drawdown and the date of each subsequent drawdown, thus $t_1 = 0$,

m^1 is the number of the last repayment or payment of charges,

l is the number of a repayment or payment of charges,

D_l is the amount of a repayment or payment of charges,

S_l is the interval, expressed in years and fractions of a year, between the date of the first drawdown and the date of each repayment or payment of charges.

Remarks:

(*a*) The amounts paid by both parties at different times shall not necessarily be equal and shall not necessarily be paid at equal intervals.

(*b*) The starting date shall be that of the first drawdown.

(*c*) Intervals between dates used in the calculations shall be expressed in years or in fractions of a year. A year is presumed to have 365 days (or 366 days for leap years), 52 weeks or 12 equal months. An equal month is presumed to have 30.41666 days (i.e. 365/12) regardless of whether or not it is a leap year.

(*d*) The result of the calculation shall be expressed with an accuracy of at least one decimal place. If the figure at the following decimal place is greater than or equal to 5, the figure at that particular decimal place shall be increased by one.

(*e*) The equation can be rewritten using a single sum and the concept of flows (Ak), which will be positive or negative, in other words either paid or received during periods 1 to k, expressed in years, i.e.:

$$S = \sum_{k=1}^{n} A_k(1+X)^{-t_k},$$

S being the present balance of flows. If the aim is to maintain the equivalence of flows, the value will be zero.

II. The additional assumptions for the calculation of the annual percentage rate of charge shall be as follows:

(*a*) If a credit agreement gives the consumer freedom of drawdown, the total amount of credit shall be deemed to be drawn down immediately and in full.

(*b*) If a credit agreement gives the consumer freedom of drawdown in general but imposes, amongst the different ways of drawdown, a limitation with regard to the amount of credit and period of time, the amount of credit shall be deemed to be drawn down on the earliest date provided for in the credit agreement and in accordance with those drawdown limits.

(*c*) If a credit agreement provides different ways of drawdown with different charges or borrowing rates, the total amount of credit shall be deemed to be drawn down at the highest charge and borrowing rate applied to the most common drawdown mechanism for this type of credit agreement.

(*d*) In the case of an overdraft facility, the total amount of credit shall be deemed to be drawn down in full and for the whole duration of the credit agreement. If the duration of the overdraft facility is not known, the annual percentage rate of charge shall be calculated on the assumption that the duration of the credit is three months.

(*e*) In the case of an open-end credit agreement, other than an overdraft facility, it shall be assumed that:

(i) the credit is provided for a period of one year starting from the date of the initial drawdown, and that the final payment made by the consumer clears the balance of capital, interest and other charges, if any;

(ii) the capital is repaid by the consumer in equal monthly payments, commencing one month after the date of the initial drawdown. However, in cases where the capital must be repaid only in full, in a single payment, within each payment period, successive drawdowns and repayments of the entire capital by the consumer shall be assumed to occur over the period of one year. Interest and other charges shall be applied in accordance with those drawdowns and repayments of capital and as provided for in the credit agreement.

For the purposes of this paragraph, an open-end credit agreement is a credit agreement without fixed duration and includes credits which must be repaid in full within or after a period but, once repaid, become available to be drawn down again.

(*f*) In the case of credit agreements other than overdrafts and open-end credits as referred to in the assumptions set out in paragraphs (*d*) and (*e*):

(i) if the date or amount of a repayment of capital to be made by the consumer cannot be ascertained, it shall be assumed that the repayment is made at the earliest date provided for in the credit agreement and is for the lowest amount for which the credit agreement provides;

(ii) if the date of conclusion of the credit agreement is not known, the date of the initial drawdown shall be assumed to be the date which results in the shortest interval between that date and the date of the first payment to be made by the consumer.

(*g*) Where the date or amount of a payment to be made by the consumer cannot be ascertained on the basis of the credit agreement or the assumptions set out in paragraphs (*d*), (*e*) or (*f*), it shall be assumed that the payment is made in accordance with the dates and conditions required by the creditor and, when these are unknown:

(i) interest charges are paid together with the repayments of capital;

(ii) a non-interest charge expressed as a single sum is paid at the date of the conclusion of the credit agreement;

(iii) non-interest charges expressed as several payments are paid at regular intervals, commencing with the date of the first repayment of capital, and if the amount of such payments is not known they shall be assumed to be equal amounts;

(iv) the final payment clears the balance of capital, interest and other charges, if any.

(*h*) If the ceiling applicable to the credit has not yet been agreed, that ceiling is assumed to be EUR 1500.

(*i*) If different borrowing rates and charges are offered for a limited period or amount, the borrowing rate and the charges shall be deemed to be the highest rate for the whole duration of the credit agreeement.

(*j*) For consumer credit agreements for which a fixed borrowing rate is agreed in relation to the initial period, at the end of which a new borrowing rate is determined and subsequently periodically adjusted according to an agreed indicator, the calculation of the annual percentage rate shall be based on the assumption that, at the end of the fixed borrowing rate period, the borrowing rate is the same as at the time of calculating the annual percentage rate, based on the value of the agreed indicator at that time.