

STANDARDIZED PRE-CONTRACTUAL FORM FOR COLLATERALIZED CONSUMER LOAN

Zërat	Përshkrimi								
Presenting text	This document is not a legally binding offer. The figures are given in good faith and are an accurate statement of the offer that the bank will make under the current terms of the market, based on the information provided. However, these figures may fluctuate according to market conditions. The provision of information is not obligatory to grant the loan.								
Name and bank contact details	BANKA KOMBETARE TREGTARE (BKT) SH.A Address: "Rruga Vilave", Lundër 1, Tiranë Phone Number: 042 266 288 Web Address: www.bkt.com.al Email: info@bkt.com.al								
Type of Loan	Collateralized consumer loan								
Product Purpose	Mortgage loans are used to fulfill the personal needs of the individuals, to buy, construct or improve a home. From this product can profit not only individuals but the self-employed professional as well (doctors, dentist, pharmacist, lawyers etc) who want to improve their office environment.								
Product Description	This product is used for the purpose provided for in point 2 where the bank will require a real estate mortgage as a guarantee. Mortgageable items are real estate, such as land, buildings, and anything that is permanently attached to the land or building. The mortgageable property may be different from the object of the loan. The real estate valuation report is carried out by independent valuers authorized by the bank and this cost is covered by the applicant. The loan will be repaid in equal monthly installments (principal + interest) according to the repayment annex and not as a one-time repayment at the end of the maturity period. The bank finances up to 100% of the market value of the property offered as collateral as specified below, but not more than the price specified in the sales contract.								
Financing Criteria/Loan Amount over the Open Market Value of the property offered as collateral	<table border="1"> <thead> <tr> <th></th><th>Financing Criteria Loan Amount/Collateral Open Market Value</th></tr> </thead> <tbody> <tr> <td>Home Improvement Loan</td><td>75%</td></tr> <tr> <td>Shop Improvement Loan</td><td>75%</td></tr> <tr> <td>Collateralized Consumer Loan</td><td>70%</td></tr> </tbody> </table> <p><i>For collateral type Agricultural Land, the Loan to Value Criteria cannot be higher than 50%.</i></p>		Financing Criteria Loan Amount/Collateral Open Market Value	Home Improvement Loan	75%	Shop Improvement Loan	75%	Collateralized Consumer Loan	70%
	Financing Criteria Loan Amount/Collateral Open Market Value								
Home Improvement Loan	75%								
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Collateralized Consumer Loan	70%								
Home Improvement Loan	Customer Category								
Interest Rates according to category in ALL	Interest Rates according to category in Euro								
Interest Rate for Home Improvement Loan	<table border="1"> <tbody> <tr> <td>BKT Salary Paid Customers</td> <td>3% fixed for the first year then 1 Y T-Bill +2% not less than 3% (changing each 12 months)</td> <td>3.5% fixed for the first year then 1 Y Euribor +3% not less than 4% (changing each 12 months)</td> </tr> <tr> <td>Other Customers</td> <td>3.5% fixed for the first year then 1 Y T-Bill +2.5% not less than 3.5% (changing each 12 months)</td> <td>4% fixed for the first year then 1 Y Euribor +3.5% not less than 4.5% (changing each 12 months)</td> </tr> </tbody> </table>	BKT Salary Paid Customers	3% fixed for the first year then 1 Y T-Bill +2% not less than 3% (changing each 12 months)	3.5% fixed for the first year then 1 Y Euribor +3% not less than 4% (changing each 12 months)	Other Customers	3.5% fixed for the first year then 1 Y T-Bill +2.5% not less than 3.5% (changing each 12 months)	4% fixed for the first year then 1 Y Euribor +3.5% not less than 4.5% (changing each 12 months)		
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Shop Improvement Loan	Customer Category	Interest Rates according to category in ALL	Interest Rates according to category in Euro
Interest Rate for Shop Improvement Loan	BKT Salary Paid Customers	3.5% fixed for the first year then 1 Y T-Bill +2.5% not less than 3.5% (changing each 12 months)	4% fixed for the first year then 1 Y Euribor +3.5% not less than 4.5% (changing each 12 months)
	Other Customers	4% fixed for the first year then 1 Y T-Bill +3% not less than 4% (changing each 12 months)	4.5% fixed for the first year then 1 Y Euribor +4% not less than 5% (changing each 12 months)
Collateralized Consumer Loan	Customer Category	Interest Rates according to category in ALL	Interest Rates according to category in Euro
Interest Rate for Collateralized Consumer Loan	BKT Salary Paid Customers	3.5% fixed for the first year then 1 Y T-Bill +2.5% not less than 3.5% (changing each 12 months)	4% fixed for the first year then 1 Y Euribor +3.5% not less than 4.5% (changing each 12 months)
	Other Customers	4% fixed for the first year then 1 Y T-Bill +3% not less than 4% (changing each 12 months)	4.5% fixed for the first year then 1 Y Euribor +4% not less than 5% (changing each 12 months)
Interest Rates without Life Insurance (Examples)	Interest Rate: Example BKT Salary Paid Category (Eur currency)	3.5% fixed for the first year, then 1Y Euribor+3% not less than 4% (changing each 12 months)	If the customer is up to 45 years old, IR will be 0.5% higher: 4% fixed for the first year, then 1Y Euribor + 3.5% not less than 4.5% (changing each 12 months)
			If the customer is over 45 years old, IR will be 1% higher: 4.5% fixed for the first year, then 1Y Euribor + 4% not less than 5% (changing each 12 months)
In this way is applied the interest rate also for the other category of the customers mentionet above.			
Effective Interest Rate	<p>The effective interest rate (EIR) expresses the total cost of the loan including interest, commissions and any other type of expenses that the borrower pays in connection with the loan agreement within the terms of this loan agreement. For the purposes of calculating the NEI, the total cost of the loan does not include expenses that are not recognized on the date of the calculation of the NEI, expenses payable by the borrower of obligations for non-implementation of the conditions provided for in this contract, costs payable by the customer in connection with the agreement of credit to other persons (for example, a notary, tax authority, mortgage register) and any expenses generally incurred for registration and guarantees; expenses for insurance and/or non-binding guarantees, expenses for commissions applied to unused funds and expenses for commissions for changing contractual conditions. NEI will be calculated with the assumption that:</p> <ul style="list-style-type: none"> - the loan contract is valid for the agreed period, and - the parties fulfill their obligations, according to the terms and date agreed in this loan contract, and - the percentage of interest and other expenses that are included in the calculation of EIR remain unchanged (fixed) until the end of the loan contract. 		

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Loan Amount and currency	For Home/Shop Improvement Loan Maximum Loan Amount – 12,000,000 ALL/ 100,000 EUR Currency: ALL/Euro For Collateralized Consumer Loan Maximum Loan Amount – 6,000,000 ALL/ 50,000 EUR Currency: ALL/ Euro
Duration of the mortgage loan contract	Maximum loan term for Home/Shop Improvement Loan Up to 15 Years for ALL Currency Up to 15 Years for EUR Currency Maximum loan term for Collateralized Consumer Loan Up to 10 Years for ALL Currency Up to 10Years for EUR Currency
The loan is in a different currency than the one in which the consumer generates the income	<input type="checkbox"/> The loan is in a currency different from the customer's income; <input type="checkbox"/> The loan is in a currency same as the customer's income;
The value of the loan installment, expressed in the currency in which the consumer generates income, may change.	The bank will notify the customer in cases where, as a result of the exchange rate change, the loan installment will increase by 20% of the counter value of the installment that would result if the exchange rate between the loan currency and the currency in it were applied which the customer generates income, on the date of signing the contract. The client is given the option of converting the loan into the currency that generates income. The request for conversion will be subject to evaluation by the Bank in accordance with the financial documentation that the Borrower will submit at the time of submission of the written request and, if the lending conditions are met, the conversion will be carried out at the Bank's official exchange rate on the day that the conversion is performed.
Opening and Closing the Loan	<ul style="list-style-type: none"> -As a condition for approving the loan, the Borrower will open one or more current accounts with the BKT, called the "loan account", in which the Bank will disburse funds and through which the loan will be repaid . - Loan withdrawal will be done in one of the following ways: by cash withdrawal, by electronic withdrawal, by a check issued by the customer to the bank, by payment order issued with writing in favor of third parties. - When, during the disbursement, the Bank finds that the Borrower has exceeded the conditions provided for in the Credit Contract signed by the parties, the Bank has the right to request the termination of this contract, which will be accompanied by the return of the amounts used until that moment and the corresponding interest. - The disbursement of funds will be done in the account of the customer. - The loan amount for the home/shop improvement loan will be disbursed in at least 2 installments, which depends on the amount of the applied loan.
Number and payment frequency	The loan will be repaid in equal monthly installments. The number of installments varies according to the maturity date.
The value of each mortgage repayment installment	Monthly instalment = Principal + Interest
Loan amortization table (repayment plan)	<i>The frequency of revision of the base interest rate in this case Treasury Bond is every 12 months, so in any case the revision of the interest rate for each customer will be done in the 12th installment of the following year until the end of the loan maturity.</i>

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Loan conditions and NEI calculation table

Loan Amount	4,000,000	ALL
Maturity (No of Instalments)	180	Months
Applicant's age	27	Years
Gender	Female	
Type of Customer	Salary Paid Customers in BKT	

Interest Rate (=)	1 Y Treasury Bill	Plus (+) (Margin)
3.00%		3.00%
Disbursement Comission	1.0%	40,000 ALL
Life Insurance Premium Rate	~ 0.07%-3% of the loan amount	2,560 ALL
Property Insurance Premium Rate	~ 0.06%-0.25% of the loan amount	2,611 ALL
Others(if there are)		ALL
Monthly Instalment		27,623.27 ALL

Effective Interest Rate (EIR) 3.23%

* 4,972,188 ALL

* The amount of the total principal and interest to be paid is calculated with the above interest rate. This total amount may change depending on changes in the Treasury Bond or Euribor and the minimum interest applied according to the product selected.

Loan amortization table (repayment plan)

Currency	Loan Amount	Interest Rate (in %)	Loan term in years	Loan term in months	Monthly Loan Instalment
ALL	4,000,000	3.00%	15	180	27,623
Monthly Instalment	Beginning Balance	Interest Amount in (%)	Principal Repayment	Monthly Loan Instalment	Final Balance
1	4,000,000	10,000.00	17,623.27	27,623	3,982,377
2	3,982,377	9,955.94	17,667.32	27,623	3,964,709
3	3,964,709	9,911.77	17,711.49	27,623	3,946,998
4	3,946,998	9,867.49	17,755.77	27,623	3,929,242
5	3,929,242	9,823.11	17,800.16	27,623	3,911,442
6	3,911,442	9,778.60	17,844.66	27,623	3,893,597
7	3,893,597	9,733.99	17,889.27	27,623	3,875,708
8	3,875,708	9,689.27	17,934.00	27,623	3,857,774
9	3,857,774	9,644.44	17,978.83	27,623	3,839,795
10	3,839,795	9,599.49	18,023.78	27,623	3,821,771
11	3,821,771	9,554.43	18,068.84	27,623	3,803,703
12	3,803,703	9,509.26	18,114.01	27,623	3,785,589

Guarantee/Security required

As a guarantee, the bank will accept a mortgage on an asset of the type, Apartment, Unit (shop), Land, Land and Building, etc.

Example 1

Client Y has applied for a home improvement loan in the amount of 6,000,000 Lek. The collateral that will be offered in this case is the same as the object of the loan. In this case, the loan amount that can be granted to the client is up to 75% of the Open Market Value of the Collateral offered.

Formula:

Open Market Value of the Offered Collateral = (Loan Amount /75%)= 8,000,000 ALL

Example 2

	<p>Customer X has applied for a home improvement loan by providing collateral other than the loan facility. The Open Market Value of the offered collateral (OMV) is 8,000,000 Lek determined by the external appraiser.</p> <p>In this case, the loan amount that can be granted to the client is up to 75% of the Open Market Value of the Collateral offered.</p> <p><i>Formula:</i> $Loan\ amount = (Open\ Market\ Value\ of\ Offered\ Collateral \times 0.75) = 6,000,000\ ALL$</p>	
Additional non-refundable costs where applicable	<p>Expenses for the property valuation report (varies from ~ ALL 7,500 – ALL 30,000 with VAT based on the type of property subject to valuation).</p> <p>The cost mentioned above is classified as a pre-approval cost and is covered by the applicant, regardless of the final decision. This cost is unavoidable by the applicant. This service is not provided by the bank but by authorized experts.</p>	
Other additional costs	Type of Expense	Value
	Notarial and legal expenses, such as (notarization of contracts)	<p>For the loan contract ~ 3,000 ALL</p> <p>For the mortgage contract depending on the loan amount as below:</p> <p>For loan amount from 1-500,000 ALL ~2,000 ALL</p> <p>For loan amount from 500,000- 1,500,000 ALL ~ 3,000 ALL</p> <p>For loan amount from 1,500,000 – 5,000,000 ALL ~4,000 ALL</p> <p>For loan amount from 5,000,000 – 15,000,000 ALL ~6,000 ALL</p> <p>For loan amount from 15,000,000 – 50,000,000 ALL ~8,000 ALL</p> <p>For loan amount from 50,000,000 – 100,000,000 ALL ~10,000 ALL</p> <p>For loan amount above 100,000,000 ALL ~15,000ALL</p>
	Life insurance policy premium rate	~ 0.07 % - 3 % of the loan amount (Varies by the loan amount, age, gender of the applicant, health questionnaire or health condition)
	Mortgage Expenses	<p>For loan amount from 1,000,001 ALL up to 10,000,000 ALL ~15,000 ALL</p> <p>For loan amount above 10,000,000 ALL ~25,000 ALL</p>
	Property Insurance Premium Rate	~ 0.06%-0.25% of loan amount (varies from the loan amount, type of property, location, event risk assessment, etj.)
	Disbursement Commission for Home/ Shop Improvement Loan	<p>1% of the loan amount</p> <p>0% for the purchase of loans from other banks (only in cases where the loan contract to be purchased contains an early repayment commission)</p>
	Disbursement Commission for Collateralized Consumer Loan	<p>1.5% of loan amount for new customers</p> <p>1% of loan amount for existing customers</p> <p>0% for the purchase of loans from other banks (only in cases where the loan contract to be purchased contains an early repayment commission)</p>
The above costs are classified as costs after loan approval. These expenses are unavoidable and mandatory before disbursement of the loan. Mortgage expenses,		

	notarization of loan contracts and commitment commission are executed only once, while property and life insurance policy premiums are repeated every year
Penalties for payments in delay	<ul style="list-style-type: none"> - In the cases that the Borrower is unable to repay the matured installment (interest or principal) on time, the Bank, in addition to the normal interest rate, has the right to apply a penalty of 4 (four)% on ALL and 3 (three)% in Euro per month, calculated on the obligation of the next unpaid installment (principal + interest) for the period in which it is overdue based on the terms of this contract.
Other penalties	<ul style="list-style-type: none"> - In the cases that the Bank discovers that the loan has not been used for the agreed purpose, then it has the right to immediately request the return of the loan and accumulated interests, or if it sees it reasonable instead of applying the action mentioned before, may apply a 1% penalty on the initial loan amount. - In case of non-payment of commissions and interest, the Bank has the right to apply a penalty of 4 (four)% in ALL and 3 (three)% in Euro, per month on the unpaid amount of commission and interest.
Penalty for early repayment (when applicable)	<ul style="list-style-type: none"> - 2% of the loan amount paid before the deadline, if the period between the early repayment and the maturity of the loan is over 1 year - 1% of the loan amount paid before the deadline, if the period between the early repayment and the maturity of the loan does not exceed 1 year
Official notice between the parties	<p>All notices, communications between the parties will be made in writing and with the consent of both parties delivered personally or by registered mail (registered mail) to the address specified in the Credit Agreement or when possible by a durable means of communication (e -mail specified in the Credit Agreement, diskette, CD-ROM, DVD).</p> <p>The Borrower/Guarantor declares and accepts that all types of notifications made to these addresses will be considered as received by him. The customer can submit his advertisements to the Bank, as far as it is known, within a period of 15 calendar days.</p> <p>The Borrower/Guarantor is obliged to notify the Bank within 15 calendar days of any change in his address. As long as he has not notified the new address, the Borrower has no right to dispute the notifications made at the previous address.</p>
The right of withdrawal from the loan contract	<p>The customer has the right to withdraw from the loan contract within a calendar period of 7 days. This term starts from the date of signing this contract. In cases where the loan amount has been disbursed to the customer's account and the latter exercises the right to withdraw from the Loan Contract, then the customer accepts and undertakes to repay the principal and all obligations for interest and/or penalties, as well as other possible expenses of the bank created with third parties for the effect of disbursing this amount. If the borrower withdraws from the loan contract, the co-borrower or mortgagor or guarantor who has given a guarantee for the borrower's obligations under this contract also withdraws from the loan contract or withdraws the guarantee/s placed by him for the execution of the contract.</p>
The possibility of replacing the item/property (collateral)	<p>The borrower has the right to request the replacement of the item / property (collateral) offered as a guarantee for the active loan he has in BKT with another collateral and against the payment of a commission as below:</p> <p>a) Commission 1% of the subtracted value of the Immediate Sale Value of the collateral which is calculated Immediate Sale Value of the existing collateral - Immediate Sale Value of the new collateral (in any case it should not be less than 0.5% of the amount remaining loan, minimum 50 EUR.</p> <p>In any case, the new collateral proposed by the client must meet the Bank's lending conditions applicable to this loan product at the time the request is reviewed. The collateral that is offered for replacement will be subject to evaluation by the Bank in terms of the legal origin of the ownership, the compatibility of the actual condition of the item with the ownership documentation, as well as the value it has in the market determined in the evaluation report that will be prepared by experts licensed appraisers approved by the Bank. If the property proposed for replacement does not</p>

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	meet the conditions required by the bank, the bank has the right to reject the client's request for collateral replacement.
Claiming forms	<p>Customers can deposit a complaint or suggestion through the following channels:</p> <ul style="list-style-type: none"> - Written letter near any branch - Visits near every branch - Via phone (+355 42 266 288) call center - Through e-mail address info@bkt.com.al - Through BKT Smart App - Through Official Post Office - Through the form dedicated to the official website of the BKT - Through Facebook complaints and suggestions form
Time period of validity of pre-contractual information	The period of validity of the pre-contractual information is 7 (seven) calendar days from the date of signature of this information by the client.

(City, dd,mm,yyyy)

Customer: Name Surname
(Signature)

Branch Specialist: Name Surname
(Signature and Bank Stamp)