

GENERAL CONDITIONS AND CRITERIA FOR GRANTING LOANS TO RETAIL CLIENTS

1. Loans are granted to residents and non-residents of the Republic of Serbia with permanent employment;
2. Borrower cannot be under 18 years of age, and also at the moment of the full repayment of the non-mortgage loan, borrowers can be up to the maximum age of 68, except cash loans for pensioners where the age limit is 75 years;
3. Loans are granted to employees with permanent employment in companies that have been in business at least for 2 years and pensioners;
4. Loans are being issued to employees who are at least 6 months permanently employed with current employer. During the consideration of loan application, status of employee on probation period will not satisfy the conditions for granting loan;
5. Bank clients who are consecutively receiving earnings (salary/pension) on monthly basis, on the current account opened with KBC Banka obtain the right on preferential terms and conditions provided with this document;
6. All fees which are charged to clients regarding non mortgages loans are variable;
7. The Bank may change the amount of fees on the first working day of each calendar quarter, in accordance with monetary developments, conditions of competition and positive legislation. The Bank will publish a new tariff 15 days before application;
8. REPO rates - the benchmark rate is the highest or lowest interest rate by National Bank of Serbia in the process of conducting repo transactions of sale or purchase of securities with a maturity of two weeks (from 12 to 16 days). Reference rate of interest is recognized as the real price of dinars. Changed by the decision of the NBS, and its value can be found at website of NBS;
9. For all past due receivables (loans, fees, etc.) Bank can calculate and charge penalty interest calculated at the rate prescribed by the Law of penalty interest rate or contractual interest rate if this interest rate is higher.

General loan conditions depending on receiving earnings

1. In order to obtain the right on preferential credit conditions physical persons have an obligation that on current account for receiving salary opened with KBC Banka receive at least one full earnings (salary/pension) income (the amount of earnings taken into account while determining creditworthiness) paid into the account. Exception are pensioners for which it is accepted income of half salary;
2. After granting a loan under preferential conditions, the customer is obliged to receive salary/pension in continuity on the current account opened with the Bank. If the client does not receive two consecutive salaries to the account, the Bank has the right to change interest rate in accordance with the Contract ;
3. Regarding loans for pensioners, receiving of pension via current account opened with KBC banka is mandatory. If pensioner to whom was granted a loan is not receiving pension through current account opened with KBC banka, he is obligated to transfer it within 60 days from the day of signing the Contract. If loan beneficiary doesn't transfer his/her pension to KBC banka within 60 days, loan will be transferred to commercial conditions.
4. Minimal earnings (salary/pension) amount needed for non-mortgage loans amounts to 15.000 RSD. Exception from this rule is overdraft for pensioners, for whom there is no required minimal amount of pension;

5. In case if loan beneficiary is owner or participates in the ownership over the company in the percentage higher than 20%, and receives salary based on employment in that company, obligatory collateral is bill of exchange of the company, together with authorization for the bill of exchange and authorization for collection from company's current account;
6. PPDG – 5 form with data submitted by the borrower to the Tax Administration on the prescribed form showing information on the average annual earnings of the borrower and the prescribed taxes and contributions paid therefore if the borrower is a tax obligor within the meaning of the law governing personal income tax. Mandatory document for all loans;
7. Conditions for guarantors:
 - a. guarantor can be employed with the same company as the borrower if the authorized delegation authority evaluates the given company as creditworthy
 - b. for cash loans, legal entity can act as a guarantor for an individual customer if the authorized delegation authority evaluates the legal entity as creditworthy.

Overdraft

1. Overdraft is granted up to the amount of one earnings (salary / pension):
 - a. to physical persons who have opened current account in KBC Banka for receiving salary and
 - b. to physical persons who have opened current account in KBC Banka for receiving pension, after first paid half pension.
2. For granting overdraft for pensioners, there is no minimal amount of pension required and they can apply no matter of their age;
3. Loans are being issued to employees who are at least 6 months permanently employed with current employer. For employees in companies which authorized body estimates as creditworthy, loans can be granted to employees which are, at the moment of submitting loan application, hired on permanent basis less than 6 months with current employer. During the consideration of loan application, status of employee on probation period will not satisfy the conditions for granting loan.

General terms and conditions for refinancing existing loan obligations

1. In KBC Banka, physical persons can refinance existing credit obligations towards KBC Banka or other banks by cash loans in RSD;
2. Credit obligations which are to be refinanced (loans, credit cards and overdraft) are not taken into calculation of creditworthiness (they are treated as repaid). According to the rule, refinancing of obligations is done for clients, classified into A and B category;
3. After transferring funds, client is obligated to bring confirmation that he had really repaid his debt within 30 days;
4. In case of refinancing of the loan obligations in some other bank, right upon submitting loan application client obtains right to use favorable conditions for refinancing, without obligation of prior receiving one full salary, but with the obligation to transfer salary to the KBC Banka within 60 days as of the day of loan disbursement. In case if client does not transfer salary within 60 days, credit conditions are changed in accordance with the Contract