

## Private persons

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In these terms and conditions, terms used in the singular, such as borrower, pledger, guarantor, or pledgee, mean in such situations where there are several parties in the same role in the undertakings given a reference separately to each borrower, pledger, guarantor, creditor and/or pledgee or also a reference to the plural, such as borrowers, pledgers, guarantors, creditors and pledgees, depending on the context.

**1. Definitions**

**1.1 Residential asset** refers to residential properties, shares entitling to the holding of a flat and residential buildings located in an area held by virtue of usufruct of the residential property.

**1.2 Housing loan** refers to a credit that the bank, according to an agreement, grants or promises to grant to a borrower as a loan, postponement of payment or other corresponding financial arrangement in order to acquire a residential asset or to retain the title to it.

**1.3 Consumer credit secured by a residential asset** refers to a credit that the bank, according to an agreement, grants or promises to grant to a borrower as a loan, postponement of payment or other corresponding financial arrangement for purposes other than those mentioned in clause 1.2 and that is secured by a residential asset.

**1.4 Foreign currency credit** refers to a housing loan or consumer credit secured by a residential asset that is granted or promised to be granted in currency other than the currency of the member state of the European Union or the European Economic Area where the borrower resides, or in currency other than the currency of the state where the borrower receives his or her income and where he or she has assets to be used to repay the credit.

**1.5 Credit costs** in the calculation of the annual percentage rate of charge refer to the total amount of interest, expenses and other charges payable by the borrower and known to the bank as a result of the credit relationship including the premiums of the insurance policies related to the credit agreement and the costs of other supplementary services if making an agreement on a supplementary service is a precondition for obtaining a credit under the marketed terms. When calculating the maximum sum of credit costs, credit costs are defined as in clause 4.

**1.6 Annual percentage rate of charge (APR)** refers to the interest rate obtained by calculating the credit costs as an annual interest rate on the credit amount, with the amortisations taken into account.

**1.7 Distance selling** refers to a situation when an agreement on a service is made using a means of distance selling so that the borrower does not physically meet a representative of the bank in person when concluding the agreement. It is not considered distance selling if the transaction using a remote communications device relates to an existing agreement or to changing an existing agreement.

**1.8. Bank** refers to the original creditor granting the credit, Nordea Bank Abp, and/or its assignee: another bank, a credit institution (such as Nordea Mortgage Bank Plc), and/or a party to which Nordea Bank Abp, or its assignee has assigned the credit agreement, the principal debt or part of it and the related security in full or in part.

**1.9 International sanctions** refer to financial or other sanctions imposed by the European Union or the United Nations Security Council, and other sanctions, notifications and regulations published by domestic and foreign authorities such as the OFAC (Office of Foreign Assets Control).

**1.10 To sign or agree in a permanent manner** means signing or agreeing in writing or electronically in accordance with valid legislation, such as the Finnish Act on Electronic Communication Services, in an electronic service offered or approved by Nordea.

**1.11 To notify in a permanent manner** means notifying the borrower in writing or in the creditor's netbank service or in some other electronic service approved by the bank, or delivering the information to the borrower in some other permanent manner separately agreed upon.

**2. Preconditions for drawdown of the credit or part of it**

The drawdown of the credit or part of it requires that

- the borrower has concluded a credit agreement in a form approved by the bank and
- the bank has received the security agreed upon when granting the credit, the value of the pledge has not decreased and all the security documentation on the pledge or guarantee is valid and in the bank's custody in a form approved by the bank, and the third-party pledger, the natural person who accepted the pledging or guarantor has not declared that it will exercise its right of withdrawal, and
- the borrower and any pledger and guarantor have provided the bank with the information and documents related to identifying and knowing a cus-

– the borrower has requested at any given time, in a form approved by the bank and

- other possible requirements for drawing down the credit or partial draw-downs have been fulfilled.

The bank is entitled to prevent the drawdown of the credit or a part of it if the right to call in the credit exists, the borrower or one of the borrowers has filed an application for debt adjustment or corporate restructuring to a court of law or the borrower or one of the borrowers has got a registered payment default after the granting of the credit, or if there is a legal impediment or a regulation binding on the bank preventing the drawdown. The bank can screen the borrower's payment and account transactions against international sanctions, and if necessary, demand additional information concerning the payment and account transactions from the borrower before the credit or a part of it is drawn down. The bank is entitled to take measures required by international sanctions, for example, to refuse the drawdown of the credit or a part of it. The bank notifies the borrower of having refused the drawdown of the credit or part of it and the reason for the refusal, unless there is a legal impediment, regulation or instruction binding the bank which prevents the bank from making the notification.

Unless otherwise separately agreed on in a permanent manner, the borrower must draw down the credit in full within six (6) months from the signing of the credit agreement at the risk of the right to draw the credit expiring. If no credit at all has been drawn down within six (6) months from the signing of the promissory note, the agreement will expire.

**3. Interest****3.1 Notification of interest and credit instalments**

The bank notifies the borrower of the up-to-date information on the interest payable, the last repayment date, on the amounts and number of credit instalments as well as payment intervals in advance before the due date in connection with the next credit instalment in Netbank, with a written notification on the interest payment and repayment amount or in some other permanent manner separately agreed on. The notification includes information on such a change of the reference interest rate which affects the interest to be paid. In other credits than housing loans and consumer credits secured by a residential asset, changes in the interest rate can be notified afterwards in connection with the notification of a credit payment debited, and in addition to the above-mentioned manners also in an account statement or in some other permanent manner.

On request, the borrower has the right during the agreement relationship to receive a loan repayment table. The borrower has the right during the agreement relationship to receive a loan repayment table free of charge only if the repayment table has changed after the borrower first received the repayment table.

The bank will record the amount of the credit, any changes in it and other transactions in its book-keeping, which must be held as reliable evidence of the borrower's liability, unless there is a case of a clear error by the bank.

**3.2 Discontinuation or interruption of the quotation of the reference rate**

If the quotation of the reference rate is discontinued or interrupted or if the grounds for determining the reference rate or the process of determining the reference rate is changed in such a fundamental way that the reference rate cannot be considered the same reference rate, the reference rate to be applied to the loan will be based on a statute issued on the new reference rate, or on a decision or an instruction of the authorities.

If no statute, authority decision or instruction on the new reference rate is given, the reference rate applied to the loan before the interest rate determination period ended will continue to be applied until the bank determines a new reference rate. The bank will determine a new reference interest rate after consulting the authorities supervising the bank. The bank will notify the borrower of the new reference rate at least three (3) months before the change becomes effective.

**3.3 Default interest**

If the loan, its repayment amount or interest are not paid so that they reach the creditor bank on the due date at the latest, the borrower is liable to pay annual default interest on the delayed amount from the due date up to the date the payment reaches the creditor bank.

The default interest rate is 7 percentage points higher than the reference rate specified in the Finnish Interest Act. The default interest is, however, always at least equal to the interest the bank charges for the loan.

If the interest charged by the bank before the maturing of the loan is higher than the above-mentioned default interest subject to the Finnish Interest Act, the bank is entitled to charge this interest as default interest for a maximum of 180 days from the date the loan has fallen due in total, but no longer than up to the judgment regarding the loan passed by a court of law. After this, default interest subject to the Finnish Interest Act will be charged.

**3.4 Interest on special credits**

If the loan is subject to provisions in a special act, and the provision regarding the interest is amended or the authorities decide to change the interest on the

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basis of the said act, the bank is entitled to change the interest on the loan correspondingly. The bank informs the borrower of the change of the interest in accordance with clause 3.1.

**4. The maximum rate of interest and sum of credit costs**

The maximum rate of interest and sum of credit costs does not apply to housing loans with a housing security or other item as security.

The date on which the credit agreement was concluded is the date on which the borrower has drawn down the credit or the first drawdown date. When calculating the maximum sum of credit costs, the first annual period starts from the date when the credit agreement was concluded and ends on the day preceding the corresponding day next year. The length of each annual period may vary depending on whether or not it is a leap year. The payment period of the credit costs is calculated based on the due date. However, if the credit costs are to be paid immediately, the payment period is calculated based on the payment date.

During each annual period, the bank does not have the right to charge:

- annual interest exceeding 20 per cent on the credit drawn down, or
- credit costs which exceed on average 0.01 per cent of the credit amount as laid down in the credit agreement per day during the validity of the credit agreement. However, the maximum sum of credit costs during each annual period may not exceed 150 euros.

When calculating the maximum sum of credit costs, the following are not included as credit costs:

- interest;
- penalties arising from delayed payments or other breaches of the agreement incurred by the borrower;
- costs of supplementary services if making an agreement on a supplementary service is a condition for obtaining the credit under the marketed terms;
- insurance premiums if the purpose of the insurance is to protect the value of the security provided for the credit; or
- other fees laid down by the law, regulations, or orders by an authority.

**5. Revision of charges and fees**

The bank may increase the loan charges and fees on the grounds based on an authoritative decision or order, or due to an amendment in legislation to correspond to the change in costs, if the reason for the revision directly concerns the credit agreement in question. The increase of the charges or fees may not exceed the increase in actual expenses incurred by the creditor which constitute the grounds for the loan charges and fees in accordance with the credit agreement. However, it is considered sufficient that the revision in the charges and fees roughly corresponds to the increase in actual expenses.

The bank's right to the above-mentioned increase ceases after the grounds for it no longer exist.

The bank notifies the borrower of revisions of charges and fees and their effects on the amount and number of instalments and the last repayment date. The revision takes effect from the date notified by the bank, but not earlier than after one (1) month of the date of sending the notification to the borrower.

**6. Postponement of the payment date**

If the due date is not a banking day, the payment date of the loan, the interest and the loan servicing expenses will be postponed to the following banking day. The bank then charges credit interest on the entire remaining loan principal up to the postponed due date. A banking day refers to weekdays Monday through Friday, excluding Finnish public holidays such as the Independence Day, May Day, Christmas Eve and Midsummer Eve, and other days not considered to be banking days.

**7. Right of withdrawal****7.1 Right of withdrawal**

The borrower is entitled to withdraw from the credit agreement by notifying the creditor of it within 14 days of the date on which the borrower has received in a permanent manner a copy of the credit agreement with the terms and conditions and in distance selling the advance information as well. The notice of withdrawal can be made by calling Nordea Customer Service, by sending a message through Netbank's customer mail, by letter or at any Nordea branch located in Finland. The notice must specify the credit agreement to be withdrawn from. If one of the borrowers exercises his or her right of withdrawal, the notification of withdrawal automatically concerns the entire credit agreement for all the borrowers.

If the borrower withdraws from the credit agreement, the bank charges the interest on the credit as compensation for the period during which the credit has been in the borrower's use. An estimate on the payable interest amount is given in the credit agreement.

The borrower must refund the creditor without delay within 30 days with the full credit amount, including interest, he or she has received on the basis of the credit agreement at the risk of the withdrawal otherwise becoming null and void and the credit agreement remaining in force.

**7.2 Releasing of security**

If security has been given for a credit to be withdrawn from, the bank releases the security when the borrower returns all the assets, with interest, he or she has obtained based on the credit agreement.

**7.3 Linked agreement without obligation**

Another agreement linked to the credit agreement does not bind the borrower when he or she withdraws from the credit agreement if the linked service is provided by the bank or a third party based on an agreement between the third party and the bank or on some other arrangement.

If the borrower wishes to keep the linked agreement in force despite the withdrawal from the credit agreement, he or she must inform the bank of this within 30 days of sending the notice of withdrawal.

**8. Premature repayment of the loan****8.1 Borrower's right to premature credit repayment**

The borrower is entitled to repay the credit or a part of it prematurely by notifying the bank of this.

If the borrower repays the credit or a part of it early, the credit costs for the unused credit period must be deducted from the bank's remaining receivable. The bank may, however, charge in full the costs arisen from actions related to opening the credit, specified in the credit agreement.

The bank is entitled to receive compensation for all expenses arisen from security arrangements despite the early credit repayment in full or in part.

**8.2 The bank's right to obtain compensation for premature repayment of a housing loan**

If the borrower repays a housing loan or a part of it prematurely, the bank may charge compensation for the loss from the decreased interest rate level if the credit amount granted exceeds EUR 20,000 and the credit interest is fixed or the reference interest determination period is at least three (3) years.

If the bank exercises its right to receive compensation under this clause, the bank must immediately after receiving a repayment request provide the borrower with a calculation showing the amount of compensation claimed and the data used in its calculation.

**8.3 Bank's right to obtain compensation for early repayment of a credit other than a housing loan**

The bank is entitled to receive compensation from the borrower when he or she repays the credit or part of it prematurely if the credit interest is fixed.

The compensation is no more than one (1) per cent of the amount of the repaid credit or, if upon the early repayment there is less than one (1) year to the termination of the credit agreement, half a per cent of the amount of the repaid credit. The maximum compensation is, however, no more than the interest during the period between the early repayment and the termination of the credit agreement.

The bank is not, however, entitled to compensation if no more than EUR 10,000 of the credit has been repaid early during the past year or the repayment is made based on credit protection insurance.

If the bank exercises its right to receive compensation under this clause, the bank must immediately after receiving a repayment request for a consumer credit secured by a residential asset provide the borrower with a calculation showing the amount of compensation claimed and the data used in its calculation.

**9. Foreign currency credits**

Foreign currency credits involve a foreign exchange risk, which refers to exchange rate changes due to changes in value between currencies. A foreign exchange risk occurs when the borrower's income or assets to be used to repay the credit are not in the same currency as the credit or the credit is not in the currency of the borrower's country of residence. During the loan period, the value of the credit or the monthly payment may increase in relation to the borrower's income or assets or the currency of the borrower's country of residence.

The borrower is entitled to repay the foreign currency credit or a part of it prematurely. The bank is entitled to collect compensation for a premature repayment in accordance with clause 8.

If the foreign currency credit is in currency other than the euro, the borrower is entitled to convert the credit agreement into a euro-denominated agreement at any time. If the foreign currency credit is euro-denominated, the borrower is not entitled to convert the credit agreement into another currency.

The bank will notify the borrower if the remaining credit or monthly payments deviate by more than 20 per cent of what they would be if the exchange rate that was in force when concluding the credit agreement was applied.

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If the borrower has several credits with the bank, he or she has the right to allocate a payment to a credit of his or her choice. The bank defines which instalments of an individual credit the payment covers.

**11. Special grounds for early acceleration of credit****11.1 On account of delayed payment**

The loan falls due for payment upon the bank's written demand, if the borrower neglects the payment of the principal, interest, default interest or other payment on the due date, if

- 1) the payment is delayed by at least one (1) month and is still unpaid, and
- 2) the delayed amount is at least ten (10) per cent or it includes more than one (1) instalment, at least five (5) per cent of the original amount of the loan.

The loan, however, will fall due for payment upon the bank's written demand if a payment has been delayed at least by six (6) months and is still unpaid to a material extent.

The bank has no right to call in the loan if the delay results from the borrower's illness, unemployment or other similar reason beyond the borrower's control. The bank is, however, entitled to call in the loan if it was evidently unreasonable to continue the loan relationship given the duration of the delay and other circumstances.

**11.2 On some other ground**

The loan falls due for payment upon the bank's written demand, if

- 1) the borrower or one of the borrowers has given the bank misleading information that may have affected the granting of the loan or its terms and conditions;
- 2) the borrower or one of the borrowers dies;
- 3) the pledge placed as security of the loan is converted into money;
- 4) insuring the pledge that stands as security for the loan has been neglected; or
- 5) the borrower and the pledger, if any, have not taken the measures that are necessary for making the required register entries in the real estate, share or pledge registers, or
- 6) the borrower or one of the borrowers has materially violated the credit agreement.

If the borrower is declared bankrupt, the credit will fall for immediate repayment without the bank's separate written demand.

If the guarantor of the loan or one of them dies or is declared bankrupt, the borrower or a co-guarantor must acquire a new guarantor approved by the bank or some other security approved by the bank within a period set by the bank, which must be at least one (1) month. Otherwise the bank can call in the loan in writing.

If the bank can prove that (1) the security provided can no longer be considered adequate and that the reduced value of the security is a result of the actions of the borrower or owner of the pledge, or (2) if a third-party pledger, guarantor or the natural person who accepted the pledging exerts his or her right of withdrawal and withdraws from the pledge or guarantee undertaking he or she has given or the acceptance of the pledging, the borrower must, within a period of at least one (1) month set by the bank and in a manner approved by the bank, increase the security or amortise the loan by an amount stated by the bank in writing. Otherwise the bank can call in the loan in writing.

**11.3. Time of the calling in**

The loan falls due after four (4) weeks, or, if the borrower has previously been reminded of delay in repayment or other breaches of contract, after two (2) weeks from on which the notification of calling in was sent to the borrower. If the borrower pays the delayed amount or rectifies other breach of agreement within the aforementioned period of time, the calling-in will lapse.

If the borrower is declared bankrupt, the loan will fall for repayment on the date the borrower is declared bankrupt.

If the credit is accelerated, the credit costs for the unused credit period must be deducted from the remaining receivable. The bank may, however, charge in full the costs arisen from actions related to opening the credit, specified in the credit agreement.

**11.4 Demanding payment from a guarantor or third-party pledger**

If the borrower has been declared bankrupt or if a debt restructuring or restructuring concerning the borrower has been initiated or if a provisional prohibition regarding the principal debt has been laid down in such proceedings, the bank may demand the principal debt from the guarantor or sell the third-party pledge without a calling-in measure concerning the borrower in accordance with the guarantee and pledge terms and conditions.

**11.5 Borrower's right to call in the loan prematurely in an exceptional case**

The borrower is entitled to accelerate the loan for early repayment based on a material breach of agreement related to this loan relationship committed by

the bank. In such a case the borrower is not liable to pay the costs arisen from the premature repayment of the loan.

**12. Checking and use of credit information, reporting of payment defaults for the credit information register and use of personal data**

When granting, processing and monitoring credit, and accepting a guarantee and a pledge, the bank uses the personal data of the person who has given the undertaking. The personal data is obtained from the borrower, from registers maintained by the authorities, from registers maintained by the bank and companies belonging to the same group, from organisations providing credit information, such as the credit information register of Suomen Asiakastieto Oy, and/or from other reliable sources. Data obtained by Nordea for the purpose of knowing its customer may be used for making the credit decision and for credit monitoring.

If the borrower neglects a payment, the bank is entitled to report for the credit information register a default concerning a payment under the credit agreement when a payment has been delayed for at least 60 days from the original due date referred to in the bank's request for payment and the bank and the borrower have not made a new agreement on repayment after the original due date, or if such recording is otherwise permitted by legislation or a decision by the Data Protection Ombudsman.

If the credit is assigned, the bank is entitled to disclose to the assignee any personal data about the borrower related to granting, processing and monitoring the credit.

Further information on the processing of personal data at Nordea can be obtained from Nordea's privacy policy, which is available at the bank's website. You can also obtain the privacy policy by contacting Nordea.

**13. The bank's right to notify the guarantor and the pledger**

The bank has the right to disclose information to the guarantor and pledger on the borrower's all commitments, payment defaults and other factors that may have an effect on the borrower's repayment ability.

**14. Notifications, delivery of the credit agreement and other documents and verification of information**

The borrower must notify the bank without delay of any changes in his or her name and address. The notification can be made by calling Nordea Customer Service and identifying oneself, by sending a message through Netbank's Mail or in some other electronic service approved by the creditor, by mail or at any Nordea branch located in Finland. Upon the bank's request, the borrower must, in a manner separately agreed upon, provide the bank with information on his or her financial position and other information affecting this loan relationship that is necessary to the bank as creditor.

Unless otherwise agreed in another section of the credit agreement or unless the bank delivers the credit agreement or other documents to the customer personally, the bank shall deliver the borrower's copy of the credit agreement, other notifications in accordance with the credit agreement and other documents related to the credit by making them available in the Netbank service or in some other electronic service approved by the creditor and agreed upon to be used for this purpose, or in some other permanent electronic manner separately agreed upon.

If the borrower does not have a Netbank agreement or some other electronic service approved by the creditor to be used for this purpose, the creditor shall send the above-mentioned notifications in writing.

A written notification sent to the borrower by the creditor is regarded as having been received by the borrower on the seventh day after dispatch at the latest, if it has been sent to the latest address of the borrower of which the creditor or the local register office has been notified. An electronic notice sent by the creditor to the borrower is considered to have been received by the borrower on the day the notification was delivered to Nordea's Netbank service or to some other electronic service approved by the creditor or in some other permanent manner separately agreed upon.

The time and content of an electronic signature, agreement or notification, and other banking conducted in the electronic service will be verified from information systems maintained or approved by Nordea.

**15. Right to amendments**

The bank has the right to amend the credit agreement by notifying the borrower of the amendments beforehand in a permanent manner as long as the amendments in question do not increase the borrower's obligations and do not reduce his or her rights or when they derive from a legislative amendment or a decision by an authority. A borrower is considered to have accepted the amendments to the agreement proposed by the bank unless the borrower opposes to them by the suggested effective date of the amendments. If the borrower does not accept the amendments, he or she must repay the credit prematurely in accordance with section 8. The borrower will be informed of amendments at least two (2) months before they take effect.

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**16. Liability for indirect damage**

The bank is not liable for any indirect damage caused to the borrower unless the damage has been caused deliberately or through gross negligence.

**17. Force majeure**

A contracting party is not liable for damage caused by non-fulfilment of its obligations on account of an unusual or unpredictable obstacle beyond its control if it can prove that it has been unable to prevent or overcome the consequences by the exercise of due diligence. Furthermore, the bank is not liable for damage if the fulfilment of obligations based on this agreement is against its obligations laid down in other legislation.

The bank is not liable for any damage arising from a strike, blockade, lockout, boycott or other similar circumstance even if it did not concern the bank directly or even if the bank was a party to it.

A contracting party is liable to notify the other party as soon as possible after being affected by a force majeure. The bank may announce a force majeure in national daily newspapers.

**18. Supervisory authorities**

Nordea Bank Abp's and Nordea Mortgage Bank Plc's operations and activities are supervised by:

European Central Bank (ECB)  
Sonnemannstrasse 22  
60314 Frankfurt am Main, Germany  
Tel: +49 69 1344 0  
[www.ecb.europa.eu](http://www.ecb.europa.eu)

Financial Supervisory Authority  
Snellmaninkatu 6 / P.O. Box 103  
00101 Helsinki, Finland  
Tel: +358 (0)9 18351  
E-mail: [fiva@fiva.fi](mailto:fiva@fiva.fi)  
[finanssivalvonta.fi/en](http://finanssivalvonta.fi/en)

Other supervisory authorities for consumer customers are the Consumer Ombudsman, the Finnish Competition and Consumer Authority and the Regional State Administrative Agencies under the Finnish Competition and Consumer Authority:

Finnish Competition and Consumer Authority  
P.O. Box 5  
00531 Helsinki, Finland  
Tel: +358 (0)29 505 300 (switchboard)  
[kkv.fi/en](http://kkv.fi/en)  
[avi.fi/en](http://avi.fi/en)

**19. Out of court redress mechanisms**

If a dispute related to the credit agreement cannot be solved in negotiations between the parties, a consumer may turn to the Finnish Financial Ombudsman Bureau (FINE) ([fine.fi/en](http://fine.fi/en)), which provides independent advice and guidance for customers free of charge. The Finnish Financial Ombudsman Bureau (FINE) and its Banking Complaints Board provide solution proposals in disputes. FINE does not handle disputes that are pending in or have been processed by the Consumer Disputes Board or a court of justice. The easiest way to initiate the handling of a complaint is to send an online contact form at [fine.fi/en](http://fine.fi/en).

Consumers are also entitled to file a complaint with the Consumer Disputes Board ([kuluttajariita.fi/en](http://kuluttajariita.fi/en)). Before filing a complaint with the Consumer Disputes Board, consumers must contact the consumer rights advisers at a Local Register Office ([kkv.fi/en/consumer-advice](http://kkv.fi/en/consumer-advice)).

**20. Jurisdiction and applicable law**

Any disputes arising from this agreement shall be settled at the Helsinki District Court. Borrowers are, however, entitled to submit disputes to the district court of the Finnish municipality in the jurisdiction of which the borrower is domiciled or permanently resident. If the borrower does not have permanent residence in Finland, disputes will be settled by the Helsinki District Court.

This credit relationship is governed by Finnish law.