

INFORMATION MINIMUM INTEREST CLAUSE

What is the purpose of Royal Decree-Law 1/2017?

The purpose of Royal Decree-Law 1/2017 of January 20, on urgent measures for consumer protection in relation to minimum interest clauses, published on January 21, 2017, is to establish measures to facilitate refunding of amounts paid by consumers to credit institutions pursuant to certain minimum interest clauses contained in mortgage-backed loan or credit contracts.

Any customers with contracts that contain the minimum interest clauses referred to in the Royal Decree-Law can take advantage of this legislation.

How to make a claim

You can contact the Customer Service Center (Minimum Interest Clause Department):

- **By letter**

P.O. Box 1598 28080 Madrid

- **By email**

email: servicioatencioncliente@grupobbva.com

- **Via the Internet**

bbva.es

In "Information on minimum interest clauses", in the Customer Service section accessible through the link at the bottom of the home page.

How to process the claim

Once the claim is received, Customer Service will send an acknowledgment of receipt to the customer for the purpose of calculating term deadlines.

Customer Service will review the customer's request, taking into account the Royal Decree-Law.

If the request is invalid, Customer Service will relay the reasons for their decision and the claim will be closed.

If the request is valid, Customer Service will calculate the amount to be refunded and issue a detailed calculation to the customer.

The maximum time period allowed for reaching an agreement is 3 months, counted from the date the claim is submitted.

The customer must state whether or not s/he agrees with the calculation.

Once the refund amount is agreed upon, a specific reimbursement method can be determined for the return of the funds. The customer will have a period of 15 days within which to state his/her agreement.

Any returns which are agreed may generate tax obligations and will be reported to the State Tax Administration Agency.

The parties may not engage in court or extrajudicial proceedings with one another, including making claims to the Banco de España Complaints Service, in connection with the purpose of the claim while the claim is being evaluated. Once the institution has expressly rejected the customer's request, or if a period of three months has passed without any notification being received from the institution, the customer may adopt any measures considered appropriate. If the request is made prior to February 21, 2017, counting of the cited 3-month time period will begin only as of that date.

Regulations, ordered by subject, that govern the transparency of banking transactions and customer protection

Customer Service

- Law 44/2002, of November 22, on reform measures in the financial system, modified by Law 2/2011 of March 4 on sustainable economics.
- Order ECC/2502/2012, of November 16, which regulates the claims presentation procedure for the Banco de España claims services, the Spanish National Securities Market Commission (CNMV) and the Directorate-General of Insurance and Pensions.
- Royal Decree-Law 1/2017 of January 20th, on urgent consumer protection measures in relation to minimum interest clauses.

Transparency of banking transactions and customer protection and another consumer protection regulation:

- Order EHA/2899/2011, of October 28 of the Ministry of Finance and Public Revenue (Official State Gazette of October 29), on transparency and consumer protection in banking services.
- Act 22/2007, of July 11, on remote selling of financial services aimed at consumers
- Legislative Royal Decree 1/2007, of November 16, which approves the revised text of the General Law for the Defense of Consumers and users and other complementary laws.

Mortgage loans:

- Law 2/1994, of March 30, on subrogation and modification of mortgage loans.
- Order EHA/2899/2011, of October 28 of the Ministry of Finance and Public Revenue (Official State Gazette of October 29), on transparency and consumer protection in banking services.
- Royal Decree-Law 2/2003, of April 25, on economic reform measures.
- Law 36/2003, of November 11, on economic reform measures.
- Royal Decree-Law 6/2012, of March 9, on urgent measures for protecting mortgage loan holders without resources.
- Law 1/2013 of May 14th, on measures to strengthen protection of mortgage borrowers, debt restructuring, and subsidized rentals.

General contracting conditions:

- Law 7/1998, of April 13, on general contracting conditions.
- Order EHA/1718/2010 of June 11 of the Ministry of Finance and Public Revenue (Official State Gazette of June 29), on the regulation and control of the advertising of banking services and products, developed by Circular 6/2010 of September 28 of the Bank of Spain (Official State Gazette of October 11), to credit institutions and payment companies, on the advertising of banking services and products. Order EHA/1717/2010, of June 11 of the Ministry of Finance and Public Revenue (Official State Gazette of June 29), on the regulation and control of the advertising of investment services and products.
- Decree 123/2008 of July 1 of the Department of Industry, Trade and Tourism and the Basque Country Department of Culture (B.O. Basque Country of July 16), on the language rights of consumers and users.
- Law 22/2010 of July 20 of the Parliament of Catalonia (DOGC of July 23), on the Catalonia Consumer Code.
- Royal Decree Law 16/2011, of October 14 (Official State Gazette of October 15), creating the Deposit Guarantee Fund of Credit institutions and Royal Decree 628/2010 of May 14 of the Ministry of Finance and Public Revenue (Official State Gazette of June 3), amending Royal Decree 2606/1996, of December 20 (Official State Gazette of December 21), on deposit guarantee funds in credit institutions and the Royal Decree 948/2001, of August 3 (Official State Gazette of August 4), on investor compensation systems.
- Circular 5/2012, of June 27, of the Bank of Spain (Official State Gazette of July 6), to credit institutions and payment services providers, on transparency of banking services and responsibility in the granting of loans.