

Convenience loan

Information for consumers

Version dated 6.10.2025

In accordance with the Law of 8 March 2023 on accessibility requirements for products and services, this document contains easy-to-understand information about the convenience loan. This information is not legally binding on you or the bank.

Here you will find information about the key features of the convenience loan, how it works, and your rights and obligations.

This document is provided to comply with Article 15 of the Luxembourg law of 8 March 2023 on the accessibility of products and services. The purpose of this law is to ensure that everyone can easily use products and services offered by businesses. This means that businesses must ensure that customers can access their products and services. All consumers must be able to participate in social life.

Contents

- 1. What is a convenience loan contract?..... 3
- 2. What happens before signing a convenience loan contract? 3
- 3. How is the convenience loan contract concluded? 3
- 4. How does the bank pay out the loan amount? 3
- 5. What is the Annual Percentage Rate (APR)? 4
- 6. What is the total cost of a convenience loan? 4
- 7. How is the convenience loan repaid? 4
- 8. What happens in case of late payment? 4
- 9. Do you have the right to repay the convenience loan before the contract ends? 5

1. What is a convenience loan contract?

The convenience loan allows you to finance important personal projects that do not meet the usual criteria of a standard personal loan. It can also be used to combine several credits to simplify your financial situation. This loan is especially suitable if you want to:

- buy a high-value item (motorhome, boat, artwork, etc.),
- borrow more than EUR 100.000,
- borrow over a longer period,
- or benefit from a loan secured by a mortgage.

2. What happens before signing a convenience loan contract?

Before signing, you discuss your project with a Spuerkeess loan specialist. Together, you review your needs, your ability to repay and the guarantees you can offer (such as a mortgage or pledge).

The advisor provides you with:

- a personalised loan simulation,
- a European Standardised Information Sheet (ESIS) with all essential conditions.

You then have time to consider before signing. The contract is only prepared once you agree to all conditions.

3. How is the convenience loan contract concluded?

The contract is signed on paper in the presence of an advisor. The contract includes:

- the amount, duration, applied interest rate,
- any security (mortgage, guarantee, etc.),
- possible fees (for example: release fees if you have a mortgage).

The loan can then be paid out according to the terms agreed with the advisor.

4. How does the bank pay out the loan amount?

The loan is paid out in one lump sum or several instalments, depending on the project financed. The amount is transferred to your Spuerkeess current account or directly to the seller or service provider. The payout happens after signing the contract and setting up any guarantees (e.g., registering the mortgage).

5. What is the Annual Percentage Rate of Charge (APRC)?

The APRC represents the total cost of the credit you have to pay. It is expressed as an annual percentage. The APR helps you compare different loan offers.

6. What is the total cost of a convenience loan?

The total cost depends on several factors:

- the borrowed amount,
- the loan duration,
- the applied variable interest rate,
- fees related to the loan (such as processing or guarantee fees),
- and possibly an insurance taken to protect the loan.

7. How is the convenience loan repaid?

Repayment is made in regular monthly instalments, including part of the capital and the interest. Usually, instalments are automatically debited from your Spuerkeess current account.

The repayment frequency, possible grace periods (delay before the first payment) or adjustment options follow the same rules as for housing loans. Your advisor will explain the possible terms according to your situation.

8. What happens in case of late payment?

If you do not pay your instalment on time, the bank considers it a late payment. In this case, additional fees may be applied and your financial situation could worsen.

Spuerkeess will contact you to understand the reasons and find a suitable solution, such as a temporary payment deferral (“forbearance”) if your situation justifies it. However, if delays repeat or you do not respond, the bank can:

- register a payment incident in its files,
- use a debt collection service,
- and in serious cases, use the wage assignment signed at the start of the contract to recover the owed amounts directly from your income.

To avoid these situations, it is important to inform the bank as soon as you anticipate difficulties. An advisor can help you find a solution to adapt the contract temporarily.

9. Do you have the right to repay the convenience loan before the contract ends?

Yes, you have the right to repay your loan early, in part or in full. This can reduce the loan duration or total cost.

However, in some cases, early repayment fees may apply. The amount depends on your contract and the rules for mortgage loans. It is recommended to discuss this with your advisor before making a request.