

GENERAL INFORMATION DOCUMENT

– BNP PARIBAS INTERNATIONAL BUYERS –

[Applicable on 18/10/2016]

This general information document, accessible at all times, is intended to present the range of loans and their principal characteristics, proposed by BNP Paribas Personal Finance under its brand “BNP Paribas International Buyers”.

It has been prepared in compliance with French regulation n°2016-351 of 25 March 2016 (transposing Directive 2014/17/EU of the European Parliament and Council of 4 February 2014 on credit agreements for consumers relating to residential immovable property.)

This general information may in no case replace a loan offer. The elements communicated are given as an indication and are subject to the specific criteria of the lender’s lending policy.

IDENTITY AND ADDRESS OF THE LENDER OR, ACCORDING TO THE CASE, OF THE CREDIT INTERMEDIARY

• **Lender:**

BNP PARIBAS PERSONAL FINANCE

French law limited company registered in the Paris trade registry under number 542 097 902.

1 Boulevard Haussmann – 75 318 Paris Cedex 09.

Insurance intermediary registered under number 07023128 (www.orias.fr).

• **According to the case, the credit intermediary:**

Intermediary’s stamp

NATURE, PURPOSE OF THE LOAN AND POSSIBLE DURATIONS OF THE LOANS PROPOSED

BNP Paribas International Buyers provides **mortgages** to consumers who are “**non-residents**” of France and to French civil law special purpose property companies whose shareholders are non-residents of France. These loans are intended to finance the following operations:

- **Purchase** of main or second **home** or “buy-to-let” property in mainland France, whether already built or new property;
- **Renovation works;**
- **Refinance** (funds used for early repayment of an existing housing loan);
- **Equity release** (financing a project by releasing funds secured by a mortgage on a residential property in France);
- **Alternative security** (purchase of a property abroad with mortgage taken on a residential property in mainland France).
- **Post finance** (financing the purchase of a property or works, **subsequently** and within specific deadlines);
- **Bridging loan** (total or partial advance of the sale proceeds of a property to finance the purchase of another before the sale of the first property), accompanied by a long term loan to finance the purchase of a property.

Depending on the purpose and type of finance, the duration of the loan varies from 7 to 25 years (except for bridging loans).

The notion of non-residence is based in particular on the borrower's tax residence, depending on the lender's lending policy.

THE BORROWING RATE

The borrowing rate may be fixed or variable.

- **Fixed rate:** the rate is fixed throughout the duration of the loan contract.
- **Variable rate:** the rate is indexed on the 3 month Euribor rate.
 - In the case of a repayment loan, the rate adjustments are applied to the loan as from the second year of the contract, then on each of its anniversary dates. The rate adjustment applies, in the event of an increase, in priority on the duration, then on the monthly instalment; and, in the event of a decrease, exclusively on the duration.
 - In the case of an "interest only" loan, the monthly instalments are adjusted quarterly, depending on the rate variations. The duration of the loan determined on conclusion of the contract, remains constant.
- **Capped variable rate:** The mechanism is identical to that of the variable rate, with nevertheless a first period of a determined duration during which the rate is subject to a ceiling. This ceiling and this duration are expressly defined in the loan contract. In the event of a rate reduction, the whole decrease is applied to the loan.

In all cases, when the borrowing rate is variable, the borrower may ask to switch to a fixed rate (except, according to the case, for the period in which the rate is capped). The fixed borrowing rate shall then be calculated in accordance with the contractual provisions.

TYPES OF SECURITY POSSIBLE TO COVER THE LOAN CONTRACT

All BNP Paribas International Buyers loans are secured, the nature of the security being determined after the file has been studied.

This security may be:

- **A first ranking mortgage charge**

This is a contractual mortgage charge (*hypothèque conventionnelle*) and/or a money lender's preferential right (*privilège de prêteur de deniers*).

They are recorded in a notarial deed and registered at the land charges registry. The costs are payable by the borrower.

These mortgage charges are tangible security which confer on the lender a preferential right and a right to realise the security. Thus, in the event of default, they enable the lender to repossess the property, to have it sold and be repaid from the sale proceeds in priority to other creditors.

- The *money lender's preferential right* may only be taken when financing the purchase of a house or flat already built, or land.
- The *contractual mortgage charge* is taken on a property which the borrower already owns or acquires via the secured loan for the part which finances the construction of the building, works or the purchase of a property "off-plan".

The mortgage charge lasts for the duration of the loan. The borrower may however, subject to certain conditions, have it cancelled.

- **A guarantee given by the professional guarantee institution, Crédit Logement**, with whom the lender is in partnership.

This specialised institution issues a guarantee, subject to certain conditions, on behalf of the borrower, undertaking to repay the sums due to the lender in the event of default.

The borrower has to pay a subscription into a mutual guarantee fund (which will possibly be partly refunded at the end of the loan) and a guarantee fee and, depending on the case, an arrangement fee.

In the event of arrears, the lender asks the institution to pay on behalf of the borrower. The institution then seeks repayment of the sums concerned from the borrower personally.

REPRESENTATIVE EXAMPLE

Example for mortgage interest rates applicable on 18/10/2016 and subject to variation:

For a **repayment mortgage** of 200 000 €, with all funds released at the same time, a duration of 20 years, at the variable rate of 2,05 % p.a. (capped + 1 for 7 years then not capped), the repayment is made in 240 monthly instalments of € 1 016,51 excluding life insurance. Variable Annual Percentage Rate of Charge (APRC) of 2,36 %. The borrower must have a French bank account. The cost of opening and maintaining the account is incorporated into the calculation of the APRC. The cost of the obligatory insurance covering the risks of death and total and irreversible loss of autonomy is 16,67 euros per month and is added to the loan instalment. The total amount due by the borrower in respect of the **loan insurance**, on the total duration of the loan is 4 000,80 euros for an Annual Percentage Rate of Charge for Insurance of 0,18 %. The total cost of the loan is € 49 941,70 of which € 4 000,80 for insurance, € 43 962,40 for interest, € 1 228,50 for the notarial loan deed and € 750 for the arrangement fee. The total amount due by the borrower is € 249 941,70.

Example based on a property related project, secured by a first ranking mortgage charge in the form of a “money lender’s preferential right”, intended to finance the purchase of a second home by a person aged 35. The cost of life insurance is for a person with 100 % cover at the date of the offer excluding a possible surcharge for medical reasons. The cost of the insurance varies depending on the borrower’s age and personal situation. The French code of practice, called *AERAS*, facilitates access to insurance cover and loans for persons with high risk medical conditions.

Mortgage proposed in euros and repayable in euros. Therefore, if your income is in another currency, exchange rate fluctuations may modify the total amount due on your loan.

Mortgage granted subject to acceptance of the file by the lender, BNP Paribas Personal Finance. You have a 10 day “cooling off” period before accepting the loan offer. The sale of a property is subject to obtaining the loan necessary for its financing. If the loan is refused, the lender is obliged to reimburse the sums paid. The group insurance policy covering the risks of DEATH, TOTAL AND IRREVERSIBLE LOSS OF AUTONOMY, TEMPORARY TOTAL INABILITY TO WORK and PERMANENT TOTAL DISABILITY is taken out by BNP Paribas Personal Finance with CARDIF Assurance Vie and CARDIF Assurances Risques Divers, governed by the French Insurance Code. This policy is presented by BNP Paribas Personal Finance, a French law limited company with capital of € 529 548 810 and head office at 1 Boulevard Haussmann - 75009 Paris France, in its capacity as insurance intermediary, registered with *ORIAS* (French central registry of financial and insurance intermediaries) under n° 07 023 128 (www.orias.fr).

POSSIBLE EXTRA COSTS NOT INCLUDED IN THOSE OF THE LOAN, TO BE PAID IN CONNECTION WITH THE LOAN

Some “after-sales” services may be invoiced according to the tariffs applicable, detailed in the document “Our management service fees” available on the site https://international-buyers.bnpparibas.com/files/Management_service_fees.pdf or on request.

METHOD OF REPAYMENT AND EARLY REPAYMENT

- **Range of possible methods of repayment**

- Date and periodicity

The first repayment instalment is payable after the first release of funds, except for the case of total deferment.

The repayment instalments are monthly and payable on the date determined by the borrower.

The amount of the repayment instalments varies according to the amount of the loan, its duration and type of repayment.

The repayment methods detailed in this section constitute the various options which may be proposed to the borrower, depending on their project and subject to the lender's assessment.

- Types of repayment which may be proposed depending on the project
- Repayment loan: the capital borrowed is repaid progressively throughout the duration of the loan (specific methods of repayment may apply in the case of deferment). Each instalment is thus composed partly of the capital borrowed and partly of interest. The life insurance premium is added to this instalment when the borrower has taken out the group insurance policy proposed by the lender.
- Interest only loan: only the interest is paid on each instalment, the capital borrowed is repaid in totality at the end of the loan. This interest only loan does not require the assignment of a savings contract. When the borrower takes out the group life insurance proposed by the lender, the premium is debited throughout the duration of the loan.
- Mixed loan (50/50): part of the finance is through a repayment loan, the other part is interest only. Two loan offers are issued; the instalments are debited at the same date.
- Deferment

For some types of operation, deferment periods may be allowed according to the contractual conditions.

For a period up to 84 months as from the first release of funds:

- either the monthly instalments are deferred in totality to the end of the deferment period;
- or only the interest is paid each month during the deferment period, the capital will be repaid during the remaining duration of the loan.

Whatever the type of deferment, in the case of taking out the group life insurance proposed by the lender, the insurance premium is debited during the deferment.

- Possible modification options during the life of the contract
- On request, and after the lender's agreement, the borrower may benefit from five "repayment holidays" throughout the duration of the contract (except for bridging loans). On these "repayment holidays", the borrower only pays the life insurance premium in the event of having taken out the group life insurance proposed by the lender.
- The borrower may also increase or decrease the instalments subject to contractual conditions (except for interest only loans).

- **Early repayment conditions**

Total or partial early repayment of the loan, at the borrower's initiative, is possible at all times.

Each partial early repayment must be for at least 10 % of the capital borrowed.

Partial early repayment has the effect of reducing either the monthly instalment or the duration of the loan.

- When the borrowing rate is fixed, the amount of the compensation due is equal to six months' interest, at the average rate of the loan. It is calculated on the amount of the capital repaid and, in compliance with the law, it is limited to 3 % of the outstanding capital before the early repayment.
Moreover, in certain cases defined by law (e.g. change of place of work for the borrower), no compensation for the early repayment is due.
- When the borrowing rate is variable, there is no compensation due, except in the case of having switched to a fixed rate.

PROPERTY VALUATION

When underwriting loan applications, and depending on the type of operation, the lender may require a valuation of the property to be taken as security by an independent valuer chosen by the lender. Among the independent valuers, the lender uses the services of BNP Paribas Real Estate Valuation France or SEREXIM to carry out these valuations. The valuation costs are paid by the lender.

OBLIGATORY ANCILLARY SERVICES

1. Borrower's life insurance

The borrower is obliged to take out life insurance to cover the loan. Thus, in the event of life's hazards such as death or incapacity, the loan may be repaid depending on the insurance taken out.

The cover and criteria for the general minimum level of insurance required to obtain the loan are detailed on the website <https://international-buyers.bnpparibas.com>.

The cover may be from the group insurance policy proposed by the lender or another contract. In compliance with the law, before signing the loan contract and up to twelve months afterwards, the borrower may take out life cover equivalent to that proposed by the lender from an insurer of their choice.

2. Opening bank accounts in France or the Principality of Monaco

It is obligatory to open a bank account domiciled in France or the Principality of Monaco in order to obtain a loan from BNP Paribas Personal Finance. However, it is not obligatory to opt for the means of payment (cheques, cards etc.) linked to this bank account in order to obtain the loan.

GENERAL WARNING CONCERNING THE CONSEQUENCES OF NON-RESPECT OF THE OBLIGATIONS LINKED TO THE LOAN CONTRACT

A loan is binding on the borrower and must be repaid.

In the event of the borrower's default, the lender may pursue recovery of the sums due in the conditions provided for in the loan contract.

It may demand the immediate repayment of the outstanding capital plus the accrued but unpaid interest; and payment of compensation of 7 %, calculated on the balance due. If the lender does not demand the immediate repayment of the outstanding capital, the loan interest rate is increased by 3 points, until normal payment is resumed.

Moreover, the security taken may be realised.

Furthermore, in the event of flagrant payment default, certain information concerning the borrower may be transmitted to the central register of payment defaults by private individuals held by the Bank of France (*F.I.C.P.*).