



Royal Decree Law 8/2020, of 17 March, on urgent extraordinary measures to address the economic and social impact of the COVID-19, adopts certain urgent measures aimed at ensuring the protection of mortgage debtors so they can benefit from a mortgage payment holiday related to their main residence, premises used by entrepreneurs and professionals for their for business, and buy-to-rent residential properties, in accordance with Article 19 of Royal Decree Law 11/2020, of 31 March, for those people experiencing extraordinary difficulty in making their repayments as a result of the COVID-19 crisis.

Similarly, Royal Decree Law 11/2020, of 31 March, establishes measures leading to the temporary suspension of contractual obligations arising from any loan or credit without mortgage guarantee taken out by a natural person who is in a financially vulnerable situation as a result of the health crisis caused by COVID-19.

The following is a summary of the conditions, formalities and documentation required to be able to be entitled to the benefits provided by these regulations and their main features:

### **Conditions required to be entitled to the mortgage payment holiday**

1. The measures provided for the mortgage payment holiday will be applied to mortgage debtors who are financially vulnerable under the terms established in Article 16 of Royal Decree Law 11/2020, of 31 March, defined by their joint fulfilment of the following conditions:

a) The mortgage debtor has become unemployed or, in the case of an entrepreneur or professional, has experienced a substantial loss of income or a substantial drop in turnover of at least 40%. (\*)

b) The total income of the members of the household (\*\*) does not exceed, in the month preceding the application for the mortgage payment holiday:

i. In general, a limit of three times the monthly Public Indicator of Multiple Effect Income (hereinafter IPREM).

ii. This limit will be increased by 0.1 times the IPREM for each dependent child in the household. In the case of a single parent household, the increase applicable per dependent child will be 0.15 times the IPREM for each child.

iii. This limit will be increased by 0.1 times the IPREM for each person over 65 years of age who is a member of the household.

iv. Should any of the members of the household be declared more than 33% disabled or in a state of dependency or illness that makes him/her permanently unable to carry out a job, the limit provided for in subsection i) shall be four times the IPREM, without prejudice to any cumulative increases per dependent child.

v. Should the mortgage debtor be a person with cerebral palsy, mental illness or intellectual disability, with a recognised degree of disability equal to or greater than 33%, or a person with a physical or sensory disability with a recognised degree of disability equal to or greater than 65%, as well as in cases of serious illness that makes the person or his/her carer demonstrably incapable of carrying out a job, the limit provided for in subsection (i) shall be five times the IPREM.

c) The total of the mortgage payments plus basic expenses and utilities is equal to or greater than 35% of the net income received by all members of the household. For

these purposes, "basic expenses and utilities" shall mean the cost of electricity, gas, heating oil, running water, fixed and mobile telecommunications services and any contributions to a householders' association. Only those "basic expenses and utilities" provided in the household's main residence will be taken into consideration.

d) If, as a result of the health emergency, the household has seen a significant alteration in its economic circumstances in terms of the effort required to access housing. To this end, a significant alteration in economic circumstances shall be deemed to have occurred when the total mortgage burden on the household income has been multiplied by at least 1.3.

2. These same measures shall also apply to the principal debtor's sureties and guarantors, with respect to their main residence and under the same conditions as those established for the mortgage debtor.

Financially vulnerable sureties or non-debtor guarantors may require the institution to exhaust the assets of the principal debtor, without prejudice to the application to the latter, where appropriate, of the measures provided for in the Code of Good Practice, before the guaranteed debt is claimed from them, even if they have expressly waived the benefit of excussion in the contract.

### **Conditions to be entitled to the suspension of obligations arising from loan or credit agreements not backed by a mortgage**

1. The measures that lead to the temporary suspension of contractual obligations resulting from any loan or credit not backed by a mortgage that came into force on 2 April 2020 will be applied to financially vulnerable debtors according to the terms and conditions established in Article 16 of Royal Decree Law 11/2020, of 31 March and defined by the joint fulfilment of the conditions detailed in the previous section.

In addition, the following particular points should be taken into account:

a) If the debtor is also a beneficiary of the mortgage payment holiday, its application shall not be taken into account for the purposes of the calculation provided for in paragraphs 1.c) and d) above.

b) If the debtor has to make regular payments, either of rent for his/her main residence or of any type of financing not backed by a mortgage from a financial institution, or both simultaneously, for the purposes of the aforementioned calculations in sections 1.c) and d) above, the amount of the mortgage payment shall be replaced by the total sum of these amounts, including the rent, even if it is subject to a mortgage payment holiday in accordance with Article 3 of Royal Decree Law 11/2020 of 31 March. Similarly, for the purposes of calculating the mortgage burden in accordance with these sections, the total sum of these amounts shall be used, or of the single loan not backed by a mortgage if the debtor does not have to pay a regular rent for his/her main residence.

2. The concurrence of the circumstances referred to in the previous paragraph shall be accredited by the debtor to the creditor by presenting the documentation detailed in the following section. The amount of the regular payments in order to repay financing not backed by a mortgage shall be accredited by providing the corresponding contract taken out with the financial institution.

### **Accrediting the vulnerable situation**

The applicant must submit the following documents to the Bank:

1. In the case of legal unemployment, a certificate issued by the body managing the benefits, stating the monthly amount received as unemployment benefit or allowance.
2. In the case of cessation of activity by self-employed persons, a certificate issued by the State Tax Authority or the competent body of the Autonomous Community, where appropriate, based on the declaration of cessation of activity made by the person concerned.
3. Number of people living in the residence:
  - I. Family book or document certifying a civil partnership.
  - II. Certificate of census registration for the people registered as living in the residence, with reference to the time when the supporting documents are presented and the previous six months.
  - III. Declaration of disability, dependence or permanent incapacity to work.
4. Ownership of the assets:
  - I. Land Registry report from the listing service for all members of the household.
  - II. Deeds of sale for the main residence, the rented residence or property affected by the business activity and the deeds for the loan or loans with mortgage guarantee in the case that a mortgage payment holiday is requested.
5. In the event that a mortgage payment holiday is requested on a mortgage for a rental property, the corresponding rental contract must be provided.
6. An affidavit by the debtor(s) stating that they fulfil the conditions to be considered as having insufficient financial resources.
7. If the applicant for the mortgage payment holiday is unable to provide any of the documents required in points 1 to 5 above, he/she may replace these with an affidavit including specific justification of the reasons, related to the consequences of the COVID-19 crisis, that prevent him/her from providing them. When the state of emergency and its extensions come to an end, there will be a period of **one month** to provide the documents that have not been provided.

### **Effects of the mortgage payment holiday or suspension**

1. A request for a mortgage payment holiday will result in the automatic suspension of the obligations arising from the credit or loan for a period of **three months** and the consequent non-application of the acceleration clause for the loan or credit agreement throughout the duration of the mortgage payment holiday. The duration of this suspension may be extended by agreement of the Council of Ministers.
2. While the mortgage payment holiday is in force, the creditor shall not be able to demand the regular repayment or any concept thereof (repayment of the capital or interest), either completely or as a percentage. No interest shall accrue, either ordinary or for late payment.
3. As a consequence of the suspension, **the end date agreed in the contract shall be extended for the duration of the suspension**, without any modification to the rest of the agreed conditions. **In the event that the mortgage payment holiday is applied to the mortgage debt, the agreement to extend the initial term must be drawn up in a public deed and recorded with the Land Registry.**

## **BASIC INFORMATION REGARDING DATA PROTECTION**

**Controller:** Banco de Sabadell, S.A., domiciled at: Avda. Óscar Esplá, no. 37, 03007 Alicante. Data Protection Officer contact details: [DataProtectionOfficer@bancsabadell.com](mailto:DataProtectionOfficer@bancsabadell.com)

**Purposes and legitimacy:** The main purpose is to manage and develop the request/contract/operation and its legitimacy is based on the execution *per se* of the request/contract/operation. If you give your consent, your data will be processed for commercial profiling purposes. For the rest of the purposes, see the "Additional information" section below

**Recipients:** No data will be passed on to third parties unless there is a legal obligation to do so or you have given your consent under a specific agreement with the Bank.

**Origin of the data:** Data on compliance or non-compliance of monetary obligations from Common Credit Information Systems and, if authorised, data held by entities of the Banco Sabadell group or third party entities and the General Treasury of the Social Security.

**Processing data to consult common credit information systems:** The signatory or signatories are informed of the Bank's right to consult common credit information systems as long as they have a contractual relationship with the Bank that involves the payment of a monetary amount, or have asked the Bank to take out a contract involving financing, deferred payment or periodic invoicing. Consequently, the Bank may, where appropriate, process data obtained from reporting entities regarding their financial solvency or creditworthiness. All of this in accordance with the provisions of Article 20 of Organic Law 3/2018 and/or any regulations that amend, replace or complement it.

**Processing data in the case of failure to comply with monetary obligations:** The signatory or signatories are informed that, in the event of non-payment of the monetary obligations arising from the contract, the data relating to this non-payment may be communicated to Common Credit Information Systems for their inclusion in the respective files (ASNEF; BADEXCUG; CIRBE; RAI) regarding the compliance or non-compliance of monetary obligations. In the case of natural persons, the requirements set out in Article 20 of Organic Law 3/2018 of 5 December on the Protection of Personal Data and the Guarantee of Digital Rights must be met. The "[Appendix detailed information on personal data protection](#)" contains up-to-date information regarding the credit information systems in which the Bank participates.

**Rights:** You can write to the Bank's [Data Protection Rights](#) department at its registered offices or branches or at the following email address: [Ejercicioderechosprotecdatos@bancsabadell.com](mailto:Ejercicioderechosprotecdatos@bancsabadell.com) in order to exercise your rights of access, rectification, opposition, erasure, restriction and portability and to exercise the right to oppose automated individual decisions which may significantly affect you or have legal effects on you, in accordance with Article 22 of EU Regulation 2016/679.

Similarly, should the data subject deem it necessary, he/she can contact the Spanish Data Protection Agency ([www.agpd.es](http://www.agpd.es)) in order to safeguard his/her rights.

**Additional information:** You can obtain additional information in the Appendix published on the bank's website ([www.bancsabadell.com](http://www.bancsabadell.com), section "Information for customers" "Appendix detailed information on personal data protection"), or at any of the Bank's branches.

**Signed for the sole purpose of acknowledging receipt**  
Signed (borrowers/sureties/guarantors)<sup>\*\*\*</sup>  
Date

(<sup>\*</sup>) Individuals who meet the conditions laid down in Article 5 of Law 37/1992 of 28 December 1992 on Value Added Tax shall be deemed to be entrepreneurs and professionals.

(<sup>\*\*</sup>) A "household" is defined as the debtor, his/her spouse, not legally separated, or registered civil partner, and the children, irrespective of age, that are living in the residence, including those linked by a relationship as guardian, foster or family care, and their spouse, not legally separated, or registered civil partner, living in the residence.

(<sup>\*\*\*</sup>) Give the name and surname(s) of the signatories.