



DECEMBER 2014

## BANKING AND FINANCE

# DUTIES OF INFORMATION UNDER CONSUMER CREDIT CONTRACTS

*This Notice regulates the duties of information imposed on credit institutions and financial companies based or with a branch in Portugal under consumer credit contracts.*

Bank of Portugal Notice no. 10/2014 was published in the official gazette, Diário da República no. 234/2014, Series II of 2014, of 3 December 2014.

This Notice regulates the duties of information imposed on credit institutions and financial companies based or with a branch in Portugal under consumer credit contracts. The contracts in question are the credit contracts under Decree-Law 133/2009 of 2 June and contracts made by payment institutions and electronic money institutions, based or with a branch in Portugal (article 1(1)(b) and (2)), as well as consumer credit contracts regulated by Decree-Law 359/91 of 21 September (article 1(1)(a)).

### GENERAL DUTIES OF INFORMATION

Besides establishing a duty of information in general terms (article 3), the Notice identifies various items of information that must be given to consumers. It does this by distinguishing between: (i) the information that must be provided while credit card, credit facility and bank current account contracts are in force (article 4(1)); and (ii) the information that must be provided while personal loan and car loan contracts are in force (article 4(2)). In both cases, the information is provided in the form of a statement. In case (i) the information must be provided on a monthly basis, except if there have been no account transactions or if there are no payments to be made. However, in any event, the information must be sent at least once a

year (article 6(1)). In case (ii), the information must be sent with the same frequency as the contractual instalments or payments of other amounts, and, again, it must be sent at least once a year (article 6(2)).

### DUTIES OF INFORMATION UPON SPECIFIC EVENTS

The notice also requires information to be sent in specific situations: (i) breach of contractual obligations by the consumer (article 5(1)(a) and (2)); (ii) regularisation of consumer default (article 5(1)(b) and (4)); and (iii) early repayment of the credit contract by the consumer (article 5(1)(c) and (5)). If there is an Out-of-Court Procedure to Regularise Default Situations (Procedimento Extrajudicial de Regularização de Situações de Incumprimento - PERSI), the duties of information in situation (i) only apply after this procedure comes to an end (article 5(3)). In all these situations, if the information is not provided in the statement, it must be provided within 15 days of the events in question (article 6(3)).

### FORM OF THE INFORMATION

The notice also establishes the forms that can be used to deliver the information to the consumer (article 7(1)).

### ENTRY INTO FORCE

This Notice comes into force on 1 July 2015.

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