STATUTORY CREDIT HOLIDAYS – UOKIK GUIDE

* **Dear Consumer, do you have a loan and have lost a job or other main source of income?**
* **You can take advantage of statutory credit holidays and suspend the repayment of your mortgage and consumer loan for up to three months free of charge.**
* **If you fulfill the criteria indicated below, file an application with you bank – do not forget to make sure that the suspension refers to free-of-charge statutory credit holidays, not to deferred credit installment repayment for which you will have to pay.**

**[Warsaw, 26 October 2020]** A possibility of suspending the performance of a loan agreement is so called “statutory credit holidays” adopted [in June 2020 as part of the Polish Anti-Crisis Shield 4.0.](https://www.uokik.gov.pl/news.php?news_id=16478) This solution gives consumers the right to suspend the repayment of a loan for a period of up to 3 months, without charging any interest and other fees. It can be used by anyone who has lost their job or other main source of income as a result of the pandemic.

*I encourage you to take advantage of statutory credit holidays, which were adopted for the benefit of households that were particularly affected by the economic consequences of the pandemic.* *The possibility of suspending the repayment of a mortgage and consumer loan for three months, without incurring any fees or interest for the benefit of the bank, is a considerable relief for many families in difficult situations, which gives them time needed to find new sources of income. As the Government, we fought for this solution, in the second wave of the pandemic it may turn out to be helpful for those consumers who have not used it before. It is an important support instrument for the Poles, which as opposed to so-called bank credit holidays is a free-of-charge solution,* says Tomasz Chróstny, President of the Office of Competition and Consumer Protection (UOKiK).

**Statutory credit holidays – principles**

* The solution is available to consumers who lost their job or other main source of income after 13 March 2020.
* The credit holidays allow consumers to suspend the execution of the credit agreement to repay one consumer loan (including a small loan), one mortgage loan and one credit loan within the meaning of Article 69 of the Act of 29 August 1997 – Banking Law. The solution applies to loan agreements concluded before 13 March 2020, if the end of the term of the loan falls at least 6 months after this date.
* When a borrower has several loans of the same type (e.g. two mortgage loans indexed to CHF) with the same lender, they will only be able to suspend the repayment of installments for one of them.
* A loan may be suspended for a maximum of 3 months. It is a consumer who decides whether this will be 1, 2, or 3 months.
* During the period of credit holidays, a financial institution will not be able to charge any interest and any other fees, except for premiums for insurance contract connected with the loan (thanks to this, the continuity of insurance coverage is ensured for the consumer).

**Procedure – step by step**

1. You file an application for statutory credit holidays with a financial institution ([the form](https://finanse.uokik.gov.pl/dopobrania/146043) can be downloaded at finanse.uokik.gov.pl).
2. If you lost your job or other main source of income after 13 March 2020, the bank will suspend the execution of the loan agreement from the moment they receive the application.
3. The bank confirms within 14 days that you application has been received and the execution of the agreement has been suspended.
4. If you had an insurance contract related to the credit, the bank will inform you of the amount of the premium you will pay.
5. The credit period and all other terms provided for in the credit agreement will be extended accordingly by the suspension period.

**Watch out for commercial credit holidays**

Apart from statutory credit holidays, bank also offer [commercial credit holidays](https://www.uokik.gov.pl/news.php?news_id=16382). Such holidays are not a free-of-charge solution since a bank charges fees on them, it has also happened that they included terms and condition which were unfavorable for borrowers. [After the intervention of the President of UOKiK, banks have changed their practices,](https://www.uokik.gov.pl/news.php?news_id=16391) which could infringe consumers’ rights. [As part of the explanatory proceedings](https://www.uokik.gov.pl/news.php?news_id=16670), the Authority is also verifying whether banks do not render it more difficult for consumers to take advantage of statutory credit holidays.

Consumers, please remember: Even if the bank has previously allowed you to suspend the repayment of your loan on commercial terms, you have the right to apply for statutory credit holidays. In such a situation, upon receiving your application, the bank is obligated to provide you with statutory credit holidays and cease the commercial holidays. This option is possible if you lost your job or other main source of income after 13 March 2020 and inform the bank thereof in your application under pain of criminal liability for submitting false statements.

**Dear consumer, if you have filed an application for so-called “statutory credit holidays” and fulfill the requirements, the bank may not refuse to provide you with such holidays.** The bank may not alter your application either by offering commercial credit holidays not free of charge instead of those free-of-charge statutory ones. Before granting the so-called statutory credit holidays, the bank may not require that you file any additional declarations or documents or otherwise threaten that they will not accept your application. Such activities of a financial institution constitute violation of law and infringement of consumer’s interests. Therefore, we encourage consumers who have encountered such issues to inform UOKiK using the following e-mail address: monitoring@uokik.gov.pl.

**Consumer support:**

Phone: +48 801 440 220 or +48 22 290 89 16 – consumer helpline
e-mail: porady@dlakonsumentow.pl
[Consumer ombudsmen](https://uokik.gov.pl/pomoc.php) – in your town or district