



Effective 1 July 2016.

A home saver agreement refers to an agreement between a home saver and the bank, under which the home saver agrees to make deposits to his/her specific home saver account (ASP account) under the ASP scheme for the purpose of buying his/her first home and under which the bank and the home saver agree on a conditionally approved loan.

A home refers to at least half of the shares or participations entitling their holder to the possession of an apartment or at least half of a detached house. A home does not refer to a right-of-occupancy home.

A person who has turned 15 years but not 40 years before the beginning of making deposits may be a home saver under the ASP scheme. Spouses may together become home savers even if the other spouse has turned 40 years. Deposits made by a person under the age of 18 must consist of the proceeds of his/her own work as referred to in Chapter 25 of the Guardianship Services Act (422/1999).

A home saver under the age of 18 must, at least once year, provide the bank with evidence of the funds deposited into the account.

A person who has previously owned a home may not become a home saver under the scheme. Home ownership excludes a specified share of a home that has come to a person's possession without payment.

1 Deposit to the home saver account under the ASP scheme

The bank shall pay interest, as specified in §5 a of the Decree on Bonus for Home Savers, on the deposit amount in the home saver account.

In addition, the bank shall pay supplementary interest on the deposit for the first deposit year until the following five calendar years at the most, and the related rate will be specified in the home saver account agreement. A home saver under 18 years of age and the bank may agree that the supplementary interest payment period will begin when the home saver turns 18.

However, the supplementary interest must be a minimum of 2 and a maximum 4 per cent a year. If the account was opened between 1 January 1993 and 31 May 2000, the maximum supplementary interest rate is 4.5 per cent. Supplementary interest will be paid from each deposit until the first drawdown. Supplementary interest will not be annually added to the funds.

Interest and supplementary interest paid on the deposit are exempt from tax as prescribed in §10 of the Act on Bonus for Home Savers. If the ASP terms and conditions under the scheme are not fulfilled and the account is closed, the bank shall charge tax at source on interest added to the account and paid at the time of closing the account, in accordance with applicable laws in force from time to time.

2 Conditionally approved loan

A conditionally approved loan comprises an interest-subsidy loan and, when necessary, a supplementary loan. The supplementary loan will be needed if the loan needed to buy a home is larger than the maximum interest-subsidy loan. The Finnish Government confirms the maximum interest-subsidy loan.

A conditionally approved loan can be drawn down, provided that the terms and conditions of the home saver agreement under the ASP scheme have been fulfilled.

The conditionally approved loan will be extended, provided that collateral in security for loan repayment, approved by the bank, is given to the bank.

The interest-subsidy loan term is a maximum of 25 years of the drawdown date or the drawdown date of the first tranche.

The bank has the right not to extend a conditionally approved loan if the saver has a substantial payment default in his/her credit history or the saver, in view of his/her financial standing or his/her ability to fulfil his/her financial commitments, could not repay the loan to the bank.

The saver and the bank shall separately agree on the terms and conditions of the interest-subsidy loan and any supplementary loan.

3 Termination of the home saver agreement and its transfer to another bank

The saver may at any time terminate the home saver agreement under the ASP scheme. The saver may not assign his/her home saver agreement to another saver. If the saver agrees with another bank for transferring his/her home saver agreement to said bank during the deposit period, the transferee bank shall take charge of payment of supplementary interest during the entire deposit period.

4 Cancellation of the home saver agreement

The home saver agreement under the ASP scheme shall be cancelled and the saver shall have no entitlement to the loan and supplementary interest as agreed, if:

- the saver withdraw funds deposited to the home saver account or interest credited to the account before he/she has fulfilled the terms and conditions of the home saver agreement and the deed of purchase pertaining to the home has been concluded or the construction of the building has begun; or
- the saver purchases a home during the deposit period before at least half of the deposits have been made under the home saver agreement.

5 Force majeure

Neither of the parties is liable for any loss if it/he/she can prove that it/he/she has been prevented from fulfilling an obligation by an unusual and unforeseen reason beyond its/his/her control which has resulted in consequences that could not have been avoided by exercise of all due care. Neither is the Bank liable for any loss arising from the fulfilment of any obligation under this agreement if such fulfilment were against any obligations laid down for the bank elsewhere in law.

Either party shall notify the other party as soon as possible of a force majeure circumstance it has encountered. If a force majeure event affects the bank, the bank may notify thereof in national daily newspapers.