

Directive 2014/17/EU of the European Parliament and of the Council of 4 February 2014 on credit agreements for consumers relating to residential immovable property and amending Directives 2008/48/EC and 2013/36/EU and Regulation (EU) No 1093/2010 (Text with EEA relevance)

CHAPTER 6

CREDITWORTHINESS ASSESSMENT

Article 20

Disclosure and verification of consumer information

1 The assessment of creditworthiness referred to in Article 18 shall be carried out on the basis of information on the consumer's income and expenses and other financial and economic circumstances which is necessary, sufficient and proportionate. The information shall be obtained by the creditor from relevant internal or external sources, including the consumer, and including information provided to the credit intermediary or appointed representative during the credit application process. The information shall be appropriately verified, including through reference to independently verifiable documentation when necessary.

2 Member States shall ensure that credit intermediaries or appointed representatives accurately submit the necessary information obtained from the consumer to the relevant creditor to enable the creditworthiness assessment to be carried out.

3 Member States shall ensure that creditors specify in a clear and straightforward way at the pre-contractual phase the necessary information and independently verifiable evidence that the consumer needs to provide and the timeframe within which the consumer needs to provide the information. Such request for information shall be proportionate and limited to what is necessary to conduct a proper creditworthiness assessment. Member States shall allow creditors to seek clarification of the information received in response to that request where necessary to enable the assessment of creditworthiness.

Member States shall not allow a creditor to terminate the credit agreement on the grounds that the information provided by the consumer before the conclusion of the credit agreement was incomplete.

The second subparagraph shall not prevent Member States from allowing the termination of the credit agreement by the creditor where it is demonstrated that the consumer knowingly withheld or falsified the information.

4 Member States shall have measures in place to ensure that consumers are aware of the need to provide correct information in response to the request referred to in the first subparagraph of paragraph 3 and that such information is as complete as necessary to conduct a proper creditworthiness assessment. The creditor, credit intermediary or appointed representative shall warn the consumer that, where the creditor is unable to carry out an assessment of creditworthiness because the consumer chooses not to provide the information or verification necessary for an assessment of creditworthiness, the credit cannot be granted. That warning may be provided in a standardised format.

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5 This Article shall be without prejudice to Directive 95/46/EC, in particular Article 6 thereof.