



## PRESS RELEASE No 182/24

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Judgment of the Court in Case C-76/22 | Santander Bank Polska

### **Early repayment of a mortgage loan: the consumer can recover part of the commission linked to the granting of credit if he or she has not been informed that this commission is not dependent of the duration of the contract**

*The same applies if the consumer has paid that commission in a single instalment when concluding the mortgage agreement*

In Poland, a consumer concluded a mortgage agreement for a period of 360 months. When concluding the credit agreement, she paid a commission linked to the granting of the loan, which was included in its total cost.

The consumer repaid this loan in full within 19 months. She asked the bank to refund her part of the commission in question, corresponding to the remaining duration of the contract, namely 341 months. Since her complaint was rejected by the bank, the consumer brought legal proceedings.

Having doubts about the interpretation of the directive on credit agreements for consumers,<sup>1</sup> the Polish court hearing the case asks the Court of Justice whether, in the event of early repayment of a mortgage loan, the commission linked to the granting of this loan should be partially refunded. In that regard, it points out that the bank did not inform the consumer whether the costs in question were objectively linked to the duration of the credit agreement. If so, the Polish court asks the Court about the methodology for calculating the amount to be refunded to the consumer.

The Court recalls that the creditor in a mortgage agreement must provide the consumer with pre-contractual information on the breakdown of the charges, on the basis of whether they are regular payments or not.<sup>2</sup> **In the absence of information to determine whether the costs concerned are dependent of the duration of the contract or not, they must be considered as such and may be subject to a reduction in the event of early repayment. In this case, the bank does not appear to have provided the consumer with such information regarding the disputed commission. In such a situation, the national court must find that this commission is also covered by the consumer's right to a reduction in the total cost of the credit.**

According to the Court, the consumer cannot be penalised by the lack of information that the creditor is required to provide. Moreover, **the fact that a charge was paid by the consumer in one single instalment when concluding the contract does not necessarily mean that this cost is independent of the duration of the contract** and, therefore, cannot be partially refunded.

The Court also notes that **EU law does not impose a specific methodology for calculating the amount of the reduction in the total cost of the credit.** It is for the national court to decide on this matter whilst using a methodology ensuring a high level of consumer protection.

**NOTE:** A reference for a preliminary ruling allows the courts and tribunals of the Member States, in disputes which have been brought before them, to refer questions to the Court of Justice about the interpretation of EU law or the validity of an EU act. The Court of Justice does not decide the dispute itself. It is for the national court or tribunal to dispose of the case in accordance with the Court's decision, which is similarly binding on other national courts or tribunals before which a similar issue is raised.

Unofficial document for media use, not binding on the Court of Justice.

The [full text and, as the case may be, an abstract](#) of the judgment is published on the CURIA website on the day of delivery.

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Images of the delivery of the judgment are available on '[Europe by Satellite](#)' ☎ (+32) 2 2964106.

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<sup>1</sup> [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.

<sup>2</sup> By means of the European Standardised Information Sheet (ESIS) which provides access to all individualised information relating to the main characteristics of the loan and the conditions for early repayment.