QUANTUM DIGITAL BANK

Registered Financial Institution | Supervised by the Bulgarian National Bank

CAR LOAN — APPLICATION PROCESS OUTLINE

Document QDB-INFO-CL-002 | Revision 1 | 2024

This document outlines the end-to-end process for applying for a Quantum Digital Bank (QDB) Car Loan, from initial eligibility checks through to disbursement and repayment. It is intended as a general informational guide and does not itself constitute a loan offer. Applicants should also review the QDB Car Loan Terms and Conditions (Document QDB-TC-CL-2024) alongside this outline.

1. Eligibility Self-Check

Before starting a formal application, prospective borrowers are encouraged to confirm they meet the Bank's baseline eligibility requirements:

- Aged 21–70 at final repayment date
- Bulgarian citizen or holder of a valid long-term residence permit
- Minimum 6 consecutive months of verifiable income
- Estimated debt-to-income ratio, including the new instalment, at or below 45%

2. Document Preparation

Applicants should gather the following documents prior to submission:

- Valid national ID card or passport
- Proof of address (utility bill or bank statement, issued within the last 3 months)
- Proof of income (payslips for the last 3 months, employer reference letter, or tax return for self-employed applicants)
- Pro-forma invoice or vehicle listing for the car to be financed
- Vehicle registration certificate and technical passport (for used vehicles)
- Existing loan statements, if applicable, to support the debt-to-income assessment

3. Submitting the Application

Applications may be submitted through any of the following channels using the QDB Car Loan Application Form (Form QDB-CLA-001):

- Online — via the QDB Customer Portal or mobile app, with documents uploaded digitally
- In branch — with the assistance of a QDB Lending Advisor at any branch location
- By phone — an advisor can initiate the application and arrange document collection

Upon submission, the applicant receives a unique application reference number by SMS and email. Applicants are advised to retain this number for all subsequent correspondence.

4. Application Review and Credit Assessment

Once a complete application is received, QDB's lending team carries out a thorough review consisting of three main checks:

Document Verification

Submitted documents are checked for completeness, consistency, and authenticity. If any document is missing, unclear, or inconsistent, the applicant is contacted within 1 business day with a specific request for supplementary materials. Failure to respond within 5 business days may result in the application being closed.

Credit Check

QDB conducts a credit reference check through the Bulgarian National Bank's Central Credit Register and, where applicable, through licensed private credit bureaus. By submitting an application, applicants provide explicit consent to this check. The outcome is one of several factors considered in the lending decision; a negative result does not automatically disqualify an application.

Debt-to-Income Assessment

The lending team calculates the applicant's debt-to-income (DTI) ratio based on declared income and existing financial commitments. QDB's standard maximum DTI threshold for car loan approval is 45%. Applicants approaching this threshold may be offered a lower loan amount or a longer repayment term to bring monthly obligations within acceptable limits.

5. Lending Decision

QDB aims to communicate a decision within 3 to 5 business days of receiving a complete application. The decision will be one of the following:

Approved

The applicant receives a formal Loan Offer Letter by email and post, detailing the approved loan amount, interest rate, repayment term, monthly instalment, and any applicable fees. The offer is valid for 14 calendar days from the date of issue. To accept, the applicant must sign and return the Loan Agreement (Form QDB-LA-001) along with a completed QDB Direct Debit Mandate (Form QDB-DD-003).

Conditionally Approved

The application may be approved subject to additional conditions, such as providing a co-applicant, increasing the down payment, or supplying further documentation. The applicant has 10 business days to satisfy the stated conditions before the conditional offer lapses.

Declined

If the application is declined, the applicant is notified in writing with a general basis for the decision, in line with applicable consumer credit disclosure rules. Declined applicants may request a review or reapply after 3 months if their financial circumstances change materially.

6. Disbursement

- Once the signed Loan Agreement and Direct Debit Mandate are received, QDB registers a first-ranking pledge over the vehicle in the relevant public register.
- Funds are disbursed directly to the seller or dealership named in the pro-forma invoice, typically within 3 business days of pledge registration.
- The Borrower must provide proof of comprehensive (Casco) insurance, with QDB named as first loss payee, before or immediately following disbursement.

7. Repayment

- Monthly instalments are collected automatically by direct debit on the date agreed in the Loan Agreement.
- Early partial or full repayment is permitted at any time, subject to the fee terms in the Loan Agreement.
- Missed payments incur a late payment fee as specified in the Loan Agreement.
- Two or more consecutive missed payments may be reported to the Central Credit Register.
- Applicants experiencing financial difficulty are encouraged to contact QDB proactively to discuss restructuring options such as a payment holiday or term extension.

8. Contact and Support

For queries at any stage of the process, applicants may contact the QDB Lending Support team through the following channels:

- Phone: +359 2 900 1234, Monday to Friday, 08:30 to 17:30
- Email: loans@qdb.bg (responses within 1 business day)
- In-person: any QDB branch — branch locations and hours at www.quantumdigitalbank.bg/branches
- Online chat: available through the QDB Customer Portal