EU credit rules being floated by loans websites by John Cena

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The members of the EU conducted a check on the websites offering credit card as well as loans to the consumers as they were hearing complaints from quite some time now. From 526 around 393 failed the check. After a search done, it has been found out almost around 70 percent of the websites all across the EU that are offering finances, loans or credit cards are not following the rules and guidelines provided to them. The authorities of almost 29 members so the EU conducted a search of around 562 website as they were already worried about the practices of many of them. Amongst these 393 failed in the check that was done on them which is very bad sign and this will lead to closure of such website till they fully passed in the check.

The term Annual Percentage Rate, APR means a common mode of showing the rate of the borrowing so that a borrower can make calculations and find a suitable option for himself. Apart from the rate of interest, the condition of the loan and its fees is also written that is necessary for a lender to provide before an agreement is reached upon. This very important figure of APR was not provided on most of the websites on which check was done so that a customer can at least make calculations for himself. Each and every website of Cyprus, Span and Slovakia did not pass the check. Apart from this in UK, 47 were checked out of which 38 failed because they are not up to the mark.

The authorities were forced to conduct a check as they were regularly getting complaints from the consumers from quite some time now in the case of credit offers they also wanted to keep a track on whether the regulations devised by Consumer Credit Directive. There were rules regarding the mentioning of APR and so on. In this manner, the borrower would be comparing the rate of interest and the best possible deal for the fulfillment of his needs. People all always surrounded by the financial problems and they go to these sites for quick cash solutions, apply with 12 month loans instant approval for instant funding.

It was left to the members that what was going to be the level of the investigation that they wanted to carry and the number of websites was also left on them only. The website of intermediaries as well as fiscal institutions was checked and the former was found more at fault on a large scale. Around 29 percent of the websites were giving a wrong impression about the rates of interests. The case that was cross-border which was come into notice was small in number that is 37. In the other cases that were there, any kind of a fine or any enforcement was the complete responsibility of the state themselves. Earlier EU had checked the mobile phones downloading as well as airlines websites. These sought of checks should be done regularly for the safety of customers.

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