

JEL CLASSIFICATION: F34, K13

## SPECIFIC FORMS TO PROVIDE CONSUMER CREDITS

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*Summary. The problem of how to reduce the risk of non-payment for credit has been investigated. Customer credit as one of the most widespread kinds of credits, various forms to secure customer credits, peculiarities and methods to minimize customer credit risks have been studied. The necessity to use pledge as an effective way of a credit warranty has been proved.*

*Pledge as a form of credit secure from historical point of view, relationship principles between a bank and a customer as a form of customer credit warranty have been investigated. Specific features of various services for keeping up valuables by banks have been described.*

**Key words:** bank, customer's credit, warranty, credit risk, pledge, diversification of risks, bank safe.

Analysis of a situation in the banking sector formed by crisis phenomena in Ukrainian economy testifies the critical need in all possible instruments to provide credit redemption in order to minimize bank losses from credit activities. Reducing a risk of non-redemption of the most essential kinds of credit e.g. consumer credit is one of the most vital problem, which financiers and analytics are working at.

In order to reduce bank's losses if debtor does not want or unable to repay the consumer credit, bank demands a guarantee in the form of chattels pledge presented as mortgage and pawn. Pawn is considered to be more efficient. The aim of the research is to substantiate the expediency of restoring practical usage of mortgage in bank credit risks management as a kind of consumer credit secure.

Application area of pawn is not wide. It includes precious metals, jewelry, currency, works of art (paintings, sculptures) and other things, which require a special attention and objectivity during evaluation for their possible selling if debtor cannot fulfill his obligations.

Form of a mortgage contract, a pawn contract in particular, the banks can make in any kind within the frames of actual legislation, foreseeing all possible

consequences connected with debtor's fault in obligations including selling a pawn.

The form of the credit contract, including mortgage or pawn contract, banks can make to their own decision within the framework of the current legislation, with the attention to all possible consequences, connected with debtor failure.

Banks can save money and small-sized pawns in their own safes if they have ones. Payment for keeping a pawn in safes bank can add to credit interest rate or as an interest rate for giving a loan or renting the bank safe.

Within the research subject and to diversify bank risks and to increase interest rate the author has offered to unite credit services with service of keeping a pawn in bank safes, which are mostly empty, on the basis of signed contract. In other words, all those things of pawns may be stored in personal bank safes. If a bank leases its safes for keeping pawns even at preferential price it increases its interest in several times.

Thus, consumer credit risk reducing can be implemented by banks themselves without any other companies.

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