

Personal Financing Terms and Conditions

The following are the comprehensive terms and conditions applicable to all personal financing products provided by

- the Arab National Bank, referred to as the 'First Party,'
- and the client, referred to as the 'Second Party.'

1. The Second Party shall provide the following guarantees to ensure the repayment of the debt according to the following terms and conditions:

A. The Second Party is obliged to transfer their salary or pension if retired, and any other employment benefits including end-of-service entitlements, to their account with the First Party in accordance with the salary transfer procedures approved by the First Party. The Second Party shall not withdraw these funds in cash or grant a legal power of attorney or authorization to any other person to receive it, nor shall they transfer it to any other entity or bank until the full and final repayment of all installments and amounts due. The Second Party undertakes to notify the First Party of any changes to their employment status; including transfers from one department to another, from one employer to another, or being retired either upon their request or as per the applicable regulations.

B. In the event that the Second Party is retired during the term of the financing contract, the First Party shall have the right—without notifying the Second Party—to restructure the Second Party's debt so that the monthly installment amount is in proportion to the monthly deduction from the Second Party's pension credited to their account with the First Party, without increasing the debt amount.

C. The Second Party authorizes the First Party to review the Pension Authority or the General Organization for Social Insurance in the event of their retirement before the repayment of the due installments, to receive the pension or to request its direct transfer to the Second Party's account with the First Party, until the full and final repayment of all installments and amounts due, duly signed as per regulations.

D. A promissory note for the full amount of the debt, signed as per the forms approved by the First Party.

2. The repayment process under this contract is subject to the following conditions:

A. In the event of the Second Party's delay in the payment of three consecutive installments or five non-consecutive installments on their respective due dates, all installments become due and payable immediately without prior notice or judicial judgment. The First Party will report and display the Second Party's credit relationship details with the Saudi Credit Information Company or any other entity approved by the Saudi Central Bank (SAMA).

B. The Second Party agrees to pay a late penalty fee of 75 Saudi Riyals for each installment that is not paid on the due date as per the financing contract. The First Party is to allocate this penalty for charitable activities after deducting collection costs. The Second Party has authorized the First Party to deduct this penalty from the Second Party's accounts with the First Party.

A. In the event that the transfer of the Second Party's salary to their account with the First Party ceases, the First Party has the absolute discretion to take the following actions: consider all installments due and payable immediately.

1. Review the Second Party's employer and demand the salary be transferred again to the account at the Arab National Bank.

2. In case of the Second Party's end of service, the First Party has the absolute discretion to deduct all due and not yet due installments from all of the Second Party's entitlements, which may include but are not limited to end-of-service gratuity, vacation compensations, and any other allowances.

D. In the event of non-collection/payment of the check and settlement of the Second Party's debt to the creditor within a maximum period of 60 days from the date of this contract, the First Party has the right to cancel the contract and the check without notifying or warning the Second Party, who shall immediately return the original check to the First Party.

3. The Second Party authorizes the First Party to debit any account held in the Second Party's name with the First Party for any promissory notes, discounted bills, or financing installments requested by the First Party. All of the Second Party's accounts, regardless of their currency type, shall be considered as a single account, and the First Party is entitled without prior notice to consolidate or combine all accounts and obligations of the Second Party and to use or transfer any credit balances in any of those accounts and/or any amounts due from the First Party to the Second Party to settle the Second Party's indebtedness and any debt owed to the First Party on any other accounts or as a result of any other transactions, whether such indebtedness is actual or contingent.

4. The Second Party agrees that the First Party has the absolute discretion to record the Second Party's voice during any communication regarding this agreement and related operations, and to use such recording as conclusive and final evidence in the event of a legal dispute.

5. The First Party has the right to assign some or all of its rights under the financing contract to any party according to its discretion and without obtaining prior consent from the Second Party.

6. In the event that the First Party is compelled to initiate legal action against the Second Party, the Second Party is obliged to pay all expenses, fees, and costs incurred by the First Party, including attorney's fees.

7. This agreement is subject to the laws of the Kingdom of Saudi Arabia and in accordance with the provisions of Islamic Sharia law, and any dispute between the bank and the customer shall be settled by the Banking Dispute Resolution Committee.

Cost of Term, which is the percentage used to calculate the total profit based on the principal amount of financing and the number of years, is as follows:

Principal Amount * Cost of Term * Number of Years

Administrative Fees: The Second Party shall bear the payment of a fee to the First Party to cover the cost of the financing application procedures as detailed in the financing request.

Commercial Profit: The Second Party shall bear the payment of a commercial profit to the First Party, which represents the profit for the First Party through the sale of goods to the Second Party.

Annual Percentage Rate (APR): This is the discount rate at which the present value of all installments and other payments due from the Second Party, which represent the total amount due for payment by the Second Party, equals the present value of the financing amount disbursements available to the Second Party on the date the financing amount or the first payment thereof is made available to the Second Party.

Installment/Monthly Repayment Amount: The Second Party is required to pay a monthly installment consisting of the principal, profit, and commercial profit, calculated as follows:

Monthly Installment = (Financing Amount with Commercial Profit + Total Profit) / Duration of Financing in Months

For example, for financing of SAR 60,000 with a profit margin of 1.5% over (5) years, the monthly installment would be SAR 1,075, administrative fees SAR 600 (plus the value of the added tax), commercial profit SAR 761, and the Annual Percentage Rate (APR) 3.88%.

9. The Second Party has the right to cancel the financing request by sending a written notice to the First Party within a period of (10) days from the date of the execution of the financing contract, provided that they have not withdrawn all or any part of the financing amount or received all or any part of the goods or service subject to financing, and provided that no check for the repayment of the debt has been cashed/collected by the creditor and the original check has been returned to the First Party. The Second Party undertakes to compensate the First Party for any losses incurred due to the cancellation of the financing request and any fees paid by the First Party on behalf of the Second Party to a third party.

10. The customer has the right to stop receiving marketing materials through text messages when submitting a personal financing application, by completing the customer information update form.

11. All accounts opened in the name of the Second Party or that will be opened in the future with the First Party or Arabi Investment Company or any of its branches, subsidiaries, a liate companies, or those companies in which the First Party is a shareholder or owns stakes, shall guarantee each other regardless of their designations. In the event of the Second Party's default on their obligations, the First Party has the right to merge or consolidate all or some of these accounts and may deduct the credit balance from any of them to settle the debit balance under this agreement or others, or freeze the credit balance in any of them until the Second Party fulfills all its obligations to the First Party.

12. All funds, financial and commercial papers deposited or to be deposited in the future in the name of the Second Party with the First Party or anb Capital or any of its branches, subsidiaries, a liate companies, or those companies in which the First Party is a shareholder or owns stakes, shall serve as security and guarantee for all of the Second Party's obligations to the First Party without the need for a special acknowledgment to this effect. The First Party shall have the right to obtain its dues and satisfy its debt directly from the aforementioned funds through offset with priority over any other creditor, without the need for notice, notification, or legal proceedings.

13. The First Party has the right to demand from the Second Party any amount due to it and outstanding in their account. The failure of the First Party to demand payment on the due date shall not be considered as granting a grace period to the Second Party or as a waiver of its rights; the Second Party acknowledges and agrees that the First Party always has the right to take measures to ensure the collection of its rights from the Second Party, including imposing a lien on the Second Party's entitlements with private institutions and government departments equal to the amounts due to the First Party and demanding their payment even after the expiry of the due dates.

14. The First Party has the absolute right to transfer all or part of its rights arising from this agreement to whomever it wishes without the consent of the Second Party.

15. The Second Party may not transfer the obligations incumbent upon them under this agreement to any other party without the prior written consent of the First Party.

16. The Second Party undertakes to notify the First Party in writing of any change in their address, place of residence, or workplace as soon as such change occurs, and the Second Party also undertakes to notify the First Party in writing if they terminate their employment with their employer for any reason.

17. The invalidity of any article or provision in this agreement or the impracticability of its fulfillment according to the regulations in force in the Kingdom of Saudi Arabia shall not affect the validity of the other articles and provisions in this agreement.

18. Any reference to a date or period shall be interpreted wherever it appears in this agreement based on the Hijri calendar (according to Umm al-Qura calendar).

19. In the event of the Second Party's violation of any of the terms and conditions of the contract and/or relevant regulations in force in the Kingdom of Saudi Arabia, all installments and payments shall become due and payable immediately. The First Party has the right to cancel this contract and notify the Second Party in writing, demanding the payment of all installments and any resulting fees, commissions, and expenses. The Second Party is obligated to compensate the First Party for any damages and losses incurred as a result of such violations. The bank is entitled to take all regulatory and executive measures to recover its dues.

20. The Second Party shall be considered in breach of their obligations and commitments under this agreement, and all installments shall become immediately due and payable in any of the following circumstances:

A. If the Second Party fails or delays in fulfilling any of their obligations and commitments under this agreement.

B. If at any time it is found that the information or documents provided by the Second Party for the purpose of entering into this agreement are inaccurate in a manner that affects the rights of the First Party.

C. If the Second Party is convicted of any criminal offense or it is revealed that they are involved in any case that affects the rights of the First Party.

D. If the Second Party terminates their current employment with the employer or if their services are terminated by the employer for any reason unless the Second Party provides guarantees deemed satisfactory by the bank.

E. If the employer fails to fulfill any obligation that has been committed to in this agreement or if the transfer of the Second Party's salary to the First Party ceases for any reason.

21. In the event of the Second Party's desire for early repayment of the entire debt, the First Party is entitled to calculate the profits for the following three months from the date of early repayment, in addition to the remaining balance of the principal amount, without imposing any additional fees on the Second Party. The Second Party also has the right to repay part of the debt, provided that the repayment amount is equal to the monthly installment or its multiples.

Special Terms for Products

Tawarruq Financing

The Second Party is obligated to take delivery of the goods they have purchased from the First Party, from a third-party's warehouse within ten days from the date of the contract.

In case of delay, the Second Party is committed to pay the third party a daily fee for the storage of the goods amounting to 150 Saudi Riyals, unless the third party waives this fee.

Arab National Bank (ANB) Financing with Local Shares

The Second Party acknowledges and accepts that investing in shares involves risks of loss and the potential for profit. They affirm that the decision to buy and/or sell is their own and does not rely on any recommendation, endorsement, or advice from the First Party. The Second Party alone bears the responsibility for their decisions in this agreement and the resulting consequences. The Second Party also acknowledges that the First Party has informed them of all risks associated with stock investment operations, including the possibility of incurring losses, and that they fully understand these risks. The Second Party agrees to pay all fees and taxes (if applicable) associated with the transfer of shares to them through purchase and their subsequent sale to another party.

Paragraph (5): I hereby agree to provide the Arab National Bank with any information or data requested from me to establish my account with them and/or to review and/or manage it. I authorize them to obtain whatever information is necessary or required about me or my aforementioned account or any other account I may have with them from the Saudi Credit Information Company and/or to disclose information about me and my account or any other account I may have with them to the Saudi Credit Information Company and/or any other entity approved by the Saudi Central Bank (SAMA).

Paragraph (6): The client acknowledges that they have read and understood the terms and conditions stated in the facilities request and is committed to adhering to them. They affirm that all information provided by them is correct and reliable; they also acknowledge the right of the Arab National Bank to modify the terms and conditions of this request from time to time. Thus, the client authorizes the Arab National Bank or its successors or assignees to review their credit record with the Saudi Credit Information Company (SIMAH) as well as their employment record or any other information in order to approve or reject their request or to service and manage their account. Furthermore, the client fully authorizes the Arab National Bank or its successors or assignees to provide any information as allowed by the regulations to (SIMAH) or any other entity approved by the Saudi Central Bank (SAMA). They acknowledge that any changes they make to the facilities request will not have any legal effects.

Paragraph (7): The bank will notify the customer of any changes to these terms and conditions, and the changes will become effective after (30) days from the date the customer is notified.

Paragraph (8): The client acknowledges the following:

The client is fully responsible for using the services, funds, or goods provided by the bank contrary to the purposes declared by the client and specified according to the terms and conditions of the agreement.

The client is fully responsible for the accuracy of the data and information provided to the bank and is also responsible for any fraudulent or deceptive acts or misrepresentations discovered by the bank. The bank has the right to demand the client to pay all dues as well as compensation for all resultant damages and to report to the relevant executive and legal authorities, including the Saudi Central Bank (SAMA). The bank has the right to list the client on internal lists due to fraudulent activity and to take all legal and judicial measures to protect its interests.

Paragraph (9): Cost of Term – Financing Amount x Profit Margin x Number of Financing Years

Paragraph (10): The First Party is committed to sending a quarterly account statement to the Second Party provided that all the Second Party's contact details are updated and correct.

Paragraph (11): Terms for Applying Cost of Term

1. The cost of term is deducted monthly as part of the monthly installment.
2. In the event of early repayment of the entire debt, the First Party is entitled to calculate the profits for the next three months following the date of early repayment as a maximum limit.
3. The Second Party can refer to the repayment schedule to understand the details of the cost of term.

Paragraph (12): Based on the principle of Disclosure and Transparency (mentioned in the Principles for the Protection of Financial Institutions' Customers number 44006639 for the year 2022), it states that "the financial institution must ensure the clarity and ease of understanding of information about the services and products provided to customers, such that it is updated, clear, concise, accurate, and not misleading. Access to it should be effortless, especially its terms and main features. It must also include clarification of the rights and responsibilities of each party, detailing the prices, commissions charged by the financial institution, the applicable taxes, exceptions, penalties, types of risks and main benefits, the mechanism for terminating the relationship and the consequences thereof, in addition to providing information about alternative products and services offered by the financial institution." Therefore, this has been noted.

The Second Party is also committed to repaying the debt due and fulfilling all of their obligations under this agreement on the specified dates. In the event of delay or failure by the Second Party to pay any installment or part thereof or to meet any of their obligations under this agreement, the First Party has the right to take all regulatory measures to enforce its rights without warning or notifying the Second Party.

If the Second Party breaches their purchase promise by refraining from completing the purchase after the First Party acquires the shares, the First Party has the right to sell the shares to another party and charge the Second Party for any losses incurred, if any. If the First Party does not suffer any loss from the sale of the shares, the Second Party has no obligation to compensate. Should the selling price of the shares exceed the purchase price, the surplus is the right of the First Party, and the Second Party has no claim to it or any part of it.

The Second Party acknowledges that if the First Party is unable to purchase the shares on their behalf for any reason, this does not result in any liability or obligation on the part of the First Party.

Fees and Commissions:

Administrative Fees: 1.00% of the financing amount or 5,000 Saudi Riyals, whichever is less + value-added tax.

Late Payment Fees: 75 Saudi Riyals for each month.

Early Repayment Fees: Cost of term for the three months following the repayment (only for financing contracts executed from September 16, 2014).

Paragraph (1): Final approval of the personal financing request is granted by the Personal Financing Management in Riyadh at the Arab National Bank ,subject to the Bank's internal financing policies and procedures. Since the financing documents are signed at the bank's various branches throughout the Kingdom, the time required to send documents from the branches to the Personal Financing Management and their processing may result in changes to the start and end dates of the financing contract.

Paragraph (2): Although the branches of the Arab National Bank initially investigate the customer's eligibility for personal financing according to the standards practiced by the bank, the Personal Financing Management in Riyadh has the authority to make the final decision to approve or deny personal financing.

Paragraph (3): The actual financing value is the amount that the bank agrees to grant to the customer. The monthly installment value is the amount deducted from the customer's account on the due date(s) stated in the repayment schedule, which should be compared with the customer's current account statement.

Paragraph (4): The customer is obligated to open an account with the Arab National Bank and authorizes it to deduct the monthly installments from their account at the bank on the specified dates in the repayment schedule.