



# Consumer Finance Contract - Terms & Condition

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## Preamble

Against the Parties' commitment to the terms and conditions contained herein, the Lender agreed to lend the Borrower the amount stated in the Finance Information table, above.

### Article 1: Contract Scope

- 1.1-The foregoing preamble to this contract, the summary of the finance contract, the appendices to this contract, and any statements, conditions, or declarations that the parties agree to annex thereto, are a part and parcel of this contract.
- 1.2-Without prejudice to the Lender's license and activities, the provisions of the Banking Control Law and its rules, the Finance Companies Control Law and its implementing regulations, and the Saudi Central Bank's regulations shall apply to everything not specified in this contract. If there is a conflict between the provisions of the contract and the provisions of laws and regulations, the provisions of laws and regulations will take precedence.

### Article 2: Terms and Definitions

- 2.1-The following words and terms, wherever they appear herein, shall have the meanings set forth hereto there under, unless the context otherwise requires:

Contract	This Consumer Finance Contract, along with any terms, conditions, exceptions, appendices, and guarantees (if any) attached hereto or referred to herein.
Parties	The Lender and Borrower.
Financed Principle	The asset, the specifics of which are detailed in Article (4) of this Consumer Finance Contract.
Instalment(s)	The amounts payable in accordance with the provisions stipulated in Article (6) and Appendix No. (1) of this Consumer Finance Contract.
Profit Rate	The Profit Rate charged to this Consumer Finance Contract 's Borrower, expressed as an annual percentage of the Finance Amount extended to the Borrower.
Total Finance Charge	All costs that the Borrower is obligated to pay, other than the Finance Amount specified in this Consumer Finance Contract. These expenses include the Profit Rate , fees, commissions, administrative service costs, and any other costs associated with obtaining the Finance Amount.
Finance Amount	The maximum or total amounts available to the Borrower under the Contract.
Total Amount Payable (by the Borrower)	The Finance Amount plus Total Finance Charge.

Annual Percentage Rate (APR)	The discount rate at which the present value of all Installments and other payments due from the Borrower, representing the Total Amount Payable by the Borrower, equals the present value of Installments of the Finance Amount available to the Borrower on the date the Finance Amount (or the first payment thereof) is made available to the Borrower. The discount rate shall be calculated in accordance with the formula specified in the Saudi Central Bank's regulations.
Late Notice	A documented notification from the Lender to the Borrower that the Borrower has failed to pay any Installment on the due date for a specified period of time; this notification is delivered to the Borrower in accordance with the procedure outlined in Article (19) of the Contract.
Default Notice	A documented notification from the Lender to the Borrower that the Borrower has missed a certain number of Installment payments; this notification is delivered to the Borrower in accordance with the procedure outlined in Article (19) of the Contract.
Guarantee Documents (if any)	The documentation specified in Article (12) regarding guarantees and their substitutes that the Borrower submits to the Lender to guarantee the Lender's rights under the contract.
Business Day	The day on which banks, banks, and finance companies in the Kingdom of Saudi Arabia operate, or the day on which government agencies operate in terms of registration, documentation, and other government-related work. This excludes working days during holidays and official holidays.

## 2.2-Interpretation:

In this Contract, unless the context requires otherwise:

2.2.1- The article headings are provided solely for convenience.

2.2.2- The reference to "Article" or "Appendix" is a reference to the Article or Appendix in this Contract.

2.2.3- The singular and plural forms of words are meant to be used interchangeably.

## Article 3: Contract Conclusion, Entry into Force, and Term

3.1-The contract shall enter into force and its term shall commence as of date AH, corresponding to AD. The contract shall survive until the Total Amount Payable by the Borrower is satisfied or the parties agree otherwise.

3.2-Until such time as the obligations of either party hereunder have been satisfied, the Contract has been terminated, or the other party has been dismissed, the obligations of both parties hereto shall continue in full force and effect.

## Article 4: Financed Principle

The Personal Finance will be executed with Islamic principles of Murabaha. Upon conclusion of a Murabaha Contract, ownership of the Commodities shall immediately pass to you, together with all associated rights and obligations. If you request physical delivery of the Commodities, any delivery and other costs incurred in respect of such Commodities shall be payable by you.

## Article 5: Financial Obligations

5.1- Finance Amount

5.2- Profit Amount (Profit)

The Profit Amount (Profit) is fixed throughout the term of the contract

5.3- Administrative Fees (exclusive of government taxes)

Commodity delivery fees: SAR 2,000 in addition to VAT

5.4- Annual Percentage Rate (APR) %

5.5- Total Amount Payable (by the Borrower)

## Article 6: Installments

6.1- Each Installment of the Total Amount Payable by the Borrower is due on [Click or tap here to enter text.](#) of every Gregorian month or its equivalent in the Hijri calendar.

6.2- The Installments dates are as follows:0

Installment Amount: [Click or tap here to enter text.](#) Saudi Riyals.

First Installment Due Date [Click or tap here to enter text.](#) AH, corresponding to [Click or tap here to enter text.](#) AD.

Last Installment Due Date: [Click or tap here to enter text.](#) AH, corresponding to [Click or tap here to enter text.](#) AD.

Appendix No. (1) of the Contract includes a full statement of the monthly Installments payable by the Borrower.

6.3- In accordance with each Installment payment date set forth in Appendix No. (1), the Borrower shall pay the Lender the Installments on a regular basis and at the agreed upon times.

6.4- Without prejudice to Clause (6.3) of this Article, the Lender may send a text message or email to the Borrower in advance of the monthly Instalment's due date using the contact information provided for notification purposes in the Contract's introduction and may send a second reminder to the Borrower after the monthly Instalment's due date.

6.5- If an amount payable by the Borrower under this Contract is due on a day other than a Business Day, the Borrower may pay such sum on the immediately following Business Day.

6.6- If the Borrower gives the Lender permission to do so, the Lender may deduct the monthly Instalment's full amount on the due date, even if that date falls on a day other than a business day.

## Article 7: Payment Options

On the due date for each Instalment, the Borrower shall make payment to the Lender using one or more of the following methods:

1. Via a deposit, or cash payment, in one of the Lender's branches, or the branch specified by the Lender.
2. Via the Lender's electronic payment gateway.
3. Via the SADAD payment
4. Via an authorisation by the Borrower to the Lender to deduct directly from the Borrower's account No. with bank GULF INTERNATIONAL BANK – Saudi Arabia on the due date of the Installments.
5. Via an authorisation by the Borrower to the Lender to deduct directly from the Borrower's account No. with bank GULF INTERNATIONAL BANK - Saudi Arabia on the date the monthly salary of the Borrower is deposited.

## Article 8: Payment Delay or Default

8.1- If the Borrower is more than seven (7) business days late in making a payment on any Installment due on its due date, in whole or in part, the Lender shall send a notice of delay to the Borrower, at any of the addresses shown in the contact details in the introduction of the Contract, indicating that the Borrower has missed a payment and informing them to pay the due amount immediately.

8.2- The Borrower shall be deemed to be in default hereunder if the Borrower is wholly or partly late in the payment of five (5) consecutive or sporadic Installments, subject to Clauses (6.5) and (8.1) hereof. The failure of the Borrower to pay three (3) consecutive Installments or five (5) separate Installments in full or in part on the due dates shall also constitute a default case by the Borrower. The Lender may then consider the Borrower to be in default and may send a default notice to the Borrower to any of the addresses listed in the contact information in the introduction of the Contract, allowing them a grace period for payment that is not to exceed thirty (30) calendar days from the date of the notice.

8.3- If the Borrower does not remedy the default within the time specified in the default notice, the Lender may treat this as a breach of contract and proceed with the remedies set forth in Article (15) hereof.

8.4- In the event of a payment default by the Borrower, the Lender may choose not to notify the Borrower in either of the following circumstances:

8.4.1- If the Lender proves that the Borrower has engaged in fraudulent activities.

8.4.2- In the event that, without the Lender's consent, the Borrower sells or attempts to sell the financed goods, of which the Lender retains ownership, or the pledged security.

8.5- The Lender's failure to enforce any right afforded to it hereunder or under applicable law and regulation shall not be construed as a waiver of any such right.

## Article 9: Exercising the Right to Terminate the Contract

9.1- Subject to Article (10) of the contract, the Borrower may terminate the contract by providing the Lender with a written notice (paper or electronic) to any of the addresses indicated in the contact information shown in the introduction of the Contract within a period of (10) days from the date of conclusion of the Contract. The Lender may request documents proving that the conditions set forth

in Clause (9.2) of this Article have not been satisfied by the Borrower.

9.2- The Borrower may not exercise the right to terminate the Contract in any of the following cases:

9.2.1- If the Borrower has withdrawn any part of the Finance Amount.

9.2.2- If the Borrower uses any means of obtaining the financing provided to them by the Lender to purchase goods or services, including adding shares to their portfolio and possessing or using the Financed Principle.

9.3- If the Contract is terminated pursuant to Clause (9.1) of this Article, the Lender shall not be entitled to any Profit Rate fees, or commissions from the Borrower for the period from termination to the Last Installment Date.

## Article 10: Early Repayment Clauses

10.1- The Borrower may request early repayment at any time.

10.1- Lender may require Borrower to pay the following sums to proceed with the full early repayment:

A. The balance of the Finance Amount.

B. The cost of reinvestment (profit), which may not be greater than the Profit Rate for the three Installments that follow the one due before the Borrower requests early full repayment in accordance with the Installment schedule outlined in Appendix No. (1).

C. Non-refundable expenses incurred by the Lender to a third party as a result of the contract, which the Lender must prove.

10.3- Within seven (7) business days of receiving notice of the due early full payment, the Borrower must pay the full amount. According to the guidelines for the dead- lines for issuing a letter of release and transfer of debt, the Lender must issue a clearance letter to the Borrower within one (1) business day. Additionally, the Borrower's credit history with the Saudi Credit Bureau will be updated (SIMAH).

## Article 11: Administrative Expenses and Fees

11.1- All administrative expenses and fees as set forth in Article (5) hereof shall be paid by the Borrower after signing the contract, provided that the aggregate of all such expenses and fees shall not exceed of (5,000) riyals or (1%) (whichever less), exclusive of government taxes, of the Finance Amount.

11.2- The Lender shall pay all expenses and fees that are the Lender's responsibility under the terms of the Contract or under applicable Laws and regulations.

## Article 12: Guarantees and Substitutes

12.1- The Borrower shall undertake to provide the Lender with one or more of the following guarantees:

1. Guarantee (according to the form approved by the Lender).

2. Promissory note/s

3. Salary transfer to the Lender.

4. Standing order or direct debit.

12.2- The Borrower shall deliver to the Lender, on the date set forth in Article (3) of the Contract, all guarantee documents (if any).



## Article 13: Borrower's Undertakings and Representations

13.1- The Borrower hereby represents and warrants that any and all information and documents provided to the Lender for the purposes of conducting any investigation or evaluation processes in order to enter into the Contract are true, correct, accurate, and not misleading.

13.2- The Borrower hereby represents and warrants that, if the Contract was concluded through electronic channels using digital authentication, the contract was signed electronically using digital authentication, and that they may not challenge or object to the contract or the validity of its conclusion based on the fact that it was executed electronically. The Borrower shall further confirm that they are aware of the risks involved.

13.3- The Borrower hereby represents and warrants that the obligations set forth herein are valid and binding on the Borrower and that the Borrower will comply with these obligations. The Lender's books and entries shall be deemed conclusive and final proof of the accuracy of the amounts shown therein, and the Borrower hereby agrees to accept such books and entries as such. If the Borrower does not object to such amounts within seven (7) business days of being notified of their entry in the Lender's records, the Borrower agrees that the Lender's records will be conclusive evidence to be used at any time or in the event of a conflict between the parties.

13.4- The Borrower hereby represents and warrants that all guarantees or their substitutes (if any) provided by them to the Lender shall remain in full force and effect until they have fully discharged all of their obligations hereunder. In addition, the Borrower agrees to provide additional guarantees acceptable to the Lender, taking into account the Installments that the Borrower has paid up until the time of the decrease in the value of the guarantees, in the event that the value of the guarantees provided significantly decreases or in a manner that affects the rights of the Lender resulting therefrom.

13.5- In the event the Finance is guaranteed by a salary transfer pursuant to clause 12.1, and in the event of retirement or a change in employment, the Borrower hereby represents and warrants that they will continue to transfer their salary to the Lender.

13.6- The Borrower hereby represents and warrants that their financial liability is free of any obligations or claims that were not disclosed to the Lender when the finance was requested, which may directly and significantly affect their ability to satisfy their financial obligations hereunder. The Borrower also confirms their acceptance of the agreed-upon Installment amounts and agrees to notify the Lender of any change that may materially affect their ability to fulfil their obligations hereunder in the future.

13.7- The Borrower hereby represents and warrants that no legal action has been taken against them to declare them bankrupt or insolvent, nor have they taken any actions to declare themselves bankrupt or insolvent.

13.8- If Borrower becomes aware of any event that could result in a breach or termination hereof, Borrower shall promptly inform Lender of such event and the steps Borrower has taken to remedy the situation.

13.9- The foregoing representations and undertakings shall survive the execution of this Contract, and the Borrower shall have no right to claim that they are only effective at the time of the Contract's execution.



## Article 14: Lender's Undertakings and Representations

14.1- The Lender hereby represents and warrants that the obligations set forth here- in are binding on them and that they are valid. The Lender also agrees to uphold those obligations.

14.2- The Lender hereby represents and warrants that no legal action has been taken against them to declare them bankrupt or insolvent, nor have they taken any actions to declare themselves bankrupt or insolvent.

14.3- The Lender hereby represents and warrants that, prior to the Contract's conclusion, they accurately and clearly examined the Borrower's credit position and ensured that the Borrower has the capacity to bear the credit obligations arising therefrom.

14.4- The Lender confirms that they treat the Borrower fairly, honestly, and equitably at all stages of their relationship, and that they use best practices to protect the Borrower's rights. The Lender must also follow the laws and regulations pertaining to this contract.

14.5- Except for disclosure to competent government agencies, or licensed non-governmental agencies, to the extent necessary to satisfy their rights in accordance with relevant laws and controls, the Lender shall protect, maintain the privacy of, and use the Borrower's financial and personal information only for specific professional and operational purposes.

14.6- The foregoing representations and undertakings shall survive the execution of this Contract, and the Lender shall have no right to claim that they are only effective at the time of the Contract's execution.

## Article 15: Breach of Contract Clauses

15.1- In any of the following cases (each of which is referred to as a "breach case"), the Borrower will be deemed to be in breach of their obligations under this Contract:

15.1.1- If the Borrower does not make the required Installment payments and takes no action to cure the default within the time specified in the default notice, as provided for in the Payment Delay (set in Article 8 of this Agreement) or Default provisions of Article (8) hereof.

15.1.2- If the Borrower breaches the terms and conditions set forth herein in a material way and fails to remedy that breach within the time frame specified herein or within thirty (30) days of the date on which the Lender notifies the Borrower of the breach (in the event that no other period is otherwise stipulated herein).

15.1.3- If any undertakings, representations or warranties made hereunder prove to be materially incorrect.

15.1.4- If the Borrower becomes insolvent or files for bankruptcy, or if a liquidator, administrative or judicial receiver, bankruptcy trustee, or similar legal arrangement is appointed over all or a portion of the Borrower's assets or business, or over the Financed Principle.

15.2- Without prejudice to the provisions of relevant laws and regulations, when a breach case occurs, the Lender may take any of the following:

15.2.1- Approaching the Borrower and discussing with them the possibility of changing the Contract's terms, payment dates, Installment amounts, or other terms as needed to give the Borrower an opportunity to correct their situation.

15.2.1- Agreeing with the Borrower to submit a request for early total payment in accordance with the provisions for early payment set forth in Article(10) hereof.

15.2.1- Where applicable, the Lender may collect their rights under any of the guarantee documents in accordance with the applicable regulations.

15.3- In the event the Lender enforces the guarantees and their substitutes (if any), the Borrower is entitled to any amounts in excess of the amount owed to the Lender.

## **Article 16: Borrower's Death or Disability**

16.1- The Borrower shall be relieved from their obligations hereunder in the event of death or total disability in accordance with the collection controls and procedures for individual clients issued by the Saudi Central Bank. In that case, the Borrower shall be deemed to have satisfied all of their obligations hereunder. The Lender shall issue a clearance letter to the Borrower or their heirs in accordance with the Saudi Central Bank's principles and rules for protecting customers of financial institutions and shall update the Borrower's credit record with the Saudi Credit Bureau (SIMAH) within the time frame specified by the relevant regulations and instructions.

16.2- If death or total disability are not covered by the exemption under the collection controls and procedures for individual customers issued by the Saudi Central Bank, then the Contract will be terminated, and the matter will be handled in accordance with the provisions of breach of Contract set forth in Article (15) hereof or as decided by the Lender.

## **Article 17: Contract Documentation**

17.1- The Lender may document this Contract and any appendices or guarantees, and their substitutes (if any) attached thereto with the competent authorities to guarantee their rights, and the Borrower give their approval and whatever is required to give effect to this right.

17.2- The Lender shall bear the fees for documenting the Contract (if any), and it shall not be charged to the Borrower.

## **Article 18: Contract Amendment**

18.1 The Contract or any articles or clauses hereof may not be modified after the Contract has been executed.

## **Article 19: Notification**

19.1 All notices from the Lender to the Borrower must be made in writing (on paper or electronically), and they must be delivered during business hours to any of the addresses listed in the introduction of the Contract's contact information. Except two (2) business days after the date of sending, it shall not be presumed that the notice of delay, the notice of default, or the notice of breach has been received or that the recipient is aware of its contents.

19.2- If the Borrower sends notices during business hours to one of the addresses listed in the contact information for the purpose of the notices shown in the introduction of the Contract, it is presumed that the Lender has received the notices and is aware of their contents. If the e-mail is sent on a non-business day, or after (16:30) on a business day, it is assumed that the Lender has received

it and that they are aware of its content on the next business day.

19.3- Each party shall notify the other of any changes to its contact information immediately. The party who failed or neglected to notify the other party of a change in their or one of their contact addresses may not claim ignorance or that the notification did not reach the intended recipient as an excuse for their failure or negligence.

## **Article 20: Miscellaneous Clauses**

20.1- For the purposes of this Contract and as required by applicable laws and regulations, the Borrower hereby grants the Lender permission to collect and process information and data, including credit information, in order to examine the Borrower's credit profile and verify their financial solvency, ability to satisfy obligations, and credit history. The Borrower must also consent to the establishment of a credit record for them if they do not have one, and to the inclusion of their credit data in this record with any licensed entity engaged in the credit information business. The Borrower also agrees to give the Lender permission to provide and exchange credit information related to this Contract with any licensed credit information entity.

20.2 The Borrower consents to the Lender contacting the Borrower's employer in order to collect salary data and information, as well as to contact the employer in the event of a change in the Borrower's salary in order to determine the reasons for the change.

20.3- Upon request, the Borrower may send a letter to the Lender at any of the addresses listed in the introduction of this Contract for a summary of the payments made hereunder.

20.4- If the Borrower's circumstances are shown to have changed (voluntarily or involuntarily), the Lender shall, upon the Borrower's request, reschedule the debt in accordance with rules set forth by the Saudi Central Bank.

20.5- If any provision of this Contract is held to be invalid, irregular, or unenforceable, this shall not affect the validity or enforceability of any other provision hereof, and the Lender and the borrower shall cooperate to amend the invalid provision.

20.6- If the Borrower has an inquiry, dispute, or complaint, they may submit a request to the contact details for the purpose of the complaints and objections described in the Contract's introduction. The Lender shall study the application and respond to it in accordance with the procedures followed in such cases within the time frame specified in the Saudi Central Bank's instructions.

20.7- The customer can request Arabic version

20.8- Arabic is the language of the Contract; and if there is a discrepancy between the Arabic and English versions of any document, the Arabic version will prevail.

## **Article 21: Governing Law and Jurisdiction**

21.1- This Contract shall be governed by, construed, and enforced, as well as any lawsuits or claims arising therefrom, in accordance with the laws of the Kingdom of Saudi Arabia.

21.2- If there is a dispute, the parties will try to work it out amicably. If the parties are unable to reach an amicable resolution of the dispute within fifteen (15) business days of the dispute's emergence, either party may seek resolution of the dispute through the appropriate judicial authority.

In witness whereof, the parties hereto, the Lender and the Borrower, have caused this Contract

to be duly executed as of the day set out hereinabove.