

## Personal and Auto Loan Terms and Conditions

By signing the Personal & Auto Loan Application Form (Application Form), I (the Borrower) hereby explicitly acknowledge that I have fully read, understood, and irrevocably consent to be legally bound by all Personal & Auto Loans Terms and Conditions. These Terms and Conditions, along with the Application Form, shall constitute the entire agreement between the Borrower and Bank Muscat SAOG (Bank) (Agreement).

1. The Borrower shall irrevocably direct and assign the transfer of their salary and end-of-service benefits from their employer to their account with the Bank for payment of the Monthly Instalments on the Payment Date, the Borrower hereby authorizes the Bank to debit such account with the Monthly Instalment due hereunder, and if the Borrower opted for the Bank's insurance partner as per Clause 17.1 of these Terms and Conditions (Terms and Conditions), such Monthly debits will include the amounts of premiums due under the Bank's borrowers insurance scheme in respect of the Loan. Such instructions shall continue to remain effective until the Bank has confirmed by written notice to the employer, the full settlement of the Borrower's outstanding liability. The Borrower undertakes to ensure that the credit balance on such account will be sufficient to meet the Monthly Instalment repayment obligations on the Payment Date.
2. If the Borrower defaults in making any Monthly Instalment due on the Payment Date, whether of principal, Interest, commission, charges or otherwise, or dies or loses capacity or if the Borrower makes an application for a declaration of bankruptcy or is subject to a declaration of bankruptcy or any other attachment against their assets, or if any change in law or circumstances occur which the Bank considers will affect Terms and Conditions and if the Bank and the Borrower cannot agree to changes to Terms and Conditions to cover such change in law or circumstances, or if the Borrower commits any other breach of any of the Terms and Conditions, the Bank may upon serving written notice to the Borrower stop operations on any of the Borrower's accounts and demand immediate repayment of the entire Loan including the Interest accrued thereon and all sums due.
3. From time to time, the Bank has the right to cancel the Loan availed by the Borrower.
4. Overdue Interest shall be capitalized and shall be accrued from the first Payment Date as specified in the customer statement until the date of full and actual payment by the Borrower of all and any amounts so demanded hereunder. The Borrower undertakes to pay such amount to the Bank immediately upon written demand by the Bank.
5. The Borrower shall not drawdown any amount in excess of the Loan amount specified in The Application Form (Application Form), and if for any reason and at anytime the Loan shall exceed such maximum amount then the Borrower shall immediately repay such excess to the Bank in full together with Interest thereon subject to the Terms and Conditions.
6. Any Interest, commission, charges, costs or expenses due or incurred in respect of the Loan. All amounts of interest, commission, costs and expenses debited to any of the Borrower's accounts hereunder shall become an integral part of the Borrower's liability to the Bank.
7. The Bank is entitled to consider that all accounts in the Borrower's name held jointly or severally constitute a single combined account and the Bank is authorized, upon the provision of thirty (30) days' prior written notice to the Borrower, to set-off all outstanding debit and credit balances to said accounts, and the benefit of any security granted in respect of any item of any such account shall remain assigned to secure the same without any novation being opposed by any third party. Joint borrowers shall be liable jointly and severally.
8. Any claim, summons, advice or notice relating to the Loan shall be deemed to have been delivered to the Borrower if given in writing by SMS, email and/or post to the last address of the Borrower known to the Bank.
9. From time to time the Bank, at its sole discretion and upon the provision of ninety (90) days' prior written notice to the Borrower, shall be authorized to adjust and change the Interest rate so long the Interest rate does not exceed the ceiling set by the Central Bank of Oman, and the Borrower may reject the adjusted interest rate subject to the Borrower's following such rejection by the closing of the Loan within sixty (60) days as stipulated in Clauses 11 or 12 of Terms and Conditions whichever is applicable.
10. The Borrower hereby acknowledges and concedes that the Bank's books, and accounts shall be sole evidence of the sum due or which the Borrower is bound to pay in respect of the Loan and the Borrower also specifically waives any right to challenge the correctness of the Bank's records in addition and independent from the obligations described above. The Borrower hereby irrevocably and unconditionally undertakes to indemnify the Bank against all expenses (including but not limited to court fees and legal fees) which the Bank may incur in enforcing rights against the Borrower under Personal & Auto Loans Terms and Conditions.

11. Subject to the conditions listed in Clause 11.1 to 11.5 below, the Borrower may, at any time and provided that it obtains prior written approval from the Bank, prepay all or part of the Loan (outstanding amount with Interest) plus a fee of 1% (one percent) of the total outstanding amount. The Borrower may not otherwise prepay all or part of the Loan and Interest.
  - 11.1. For non- pensioners, a Pre-payment fee of 1% (one percent) of the outstanding amount will apply. The same rate of pre-payment charges shall be applicable for take over of the Loan. All pensioners are waived from prepayment fees in case of partial or full.
  - 11.2. The Borrower must give the Bank prior written notice of its intention to make a prepayment. The Borrower may not revoke or withdraw a notice provided pursuant to this Clause 11 (Prepayment Notice).
  - 11.3. The Prepayment Notice must specify the intended date and amount of the prepayment.
  - 11.4. The amount prepaid must be either the entire Loan OR a part of the loan amount.
  - 11.5. Any prepayment must be made on the date agreed between the Bank and the Borrower in writing, together with all accrued Interest and all other amounts then payable under Personal & Auto Loans Terms and Conditions.
  - 11.6. Amounts prepaid under this Clause 11 will be applied against remaining repayment instalments in order of maturity on a pro rata basis.
12. Subject to the conditions listed in Clause 12.1 to 12.3 below, the Borrower may, at any time and provided that it obtains prior written approval from the Bank, cancel the whole of the undrawn Loan. The Borrower may not otherwise cancel all or part of the Loan and Interest.
  - 12.1. The Borrower may not revoke or withdraw a notice provided pursuant to this Clause 12 (Cancellation Notice).
  - 12.2. The Cancellation Notice must specify the intended date.
  - 12.3. The amount cancelled must be the full undrawn Loan.
13. Terms and Conditions shall remain in full force and effect until the Bank confirms in writing to the Borrower that all payments due to the Bank hereunder have been made in full and that all other obligations and liabilities of the Borrower to the Bank hereunder have been discharged in full.
14. The Borrower undertakes to check all notifications of the Loan and Interest balance received from the Bank. If within thirty (30) days from the date of dispatch of a notification of balance to the Borrower's preferred address as it appears in the Bank's records, no objection has been received from the Borrower then the balance shown therein will be considered correct and the fact that no communication has been received from the borrower will, subject to manifest error on the part of the Bank, be construed as confirmation of the correctness of the account and the Borrower may not thereafter raise any objection in respect of any such notification of balance.
15. In the event Terms and Conditions is signed by multiple Borrowers, all covenants, obligations and liabilities of the Borrower under Terms and Conditions shall apply and extend in full to each Borrower and all of them and to all the assets of, and all the security provided by, each Borrower and all of them so that each Borrower shall be individually responsible to pay the Bank the Loan including all and any Interest, Overdue Interest, charges, commission, costs of expenses due or incurred in respect of the Terms and Conditions. Without prejudice to any rights the Bank may have against any Borrower, the Bank may hold any of the aforesaid fully liable for all sums due to it hereunder.
16. Should the Borrower intend to leave the Sultanate of Oman, the Borrower undertakes provide the Bank with a minimum of thirty (30) days advance notice and to repay the outstanding balance of the Loan, Interest, Overdue Interest together with all other amounts due to the Bank hereunder before their departure.
17. Insurance:
  - 17.1. The Borrower is required to obtain insurance to insure its life against death or Permanent Total Disability (PTD) as defined in the relevant insurance agreements, up to the approved loan amount with a reputed insurance company in the Sultanate of Oman for the Loan (Life Insurance).

- 17.2 The Borrower may arrange the Life Insurance through an external insurance company authorized to work in the Sultanate of Oman. In such case, the insurance Premium Amount for the full policy tenure will be paid by the Borrower to the insurance company in advance. The insurance contract will be assigned in favor of the Bank and bank would be made as the irrevocable beneficiary till the maturity of the loan. Accordingly, the insurance contract would be arranged between the Borrower and the insurance company without the Bank's involvement and all disputes and claims will be handled between the Borrower and the insurance company without including the Bank. And in the case of full settlement of loan, the Borrower should provide the Bank with a request letter to cancel the insurance policy assignment.
- 17.3 At the Borrower's request, the Life Insurance may instead be arranged by the Bank on behalf of the Borrower, in such case, the insurance premium set by the insurer for the full tenure of the Loan (Premium Amount) can be paid by the Borrower in two ways:
- 17.3.1 The Borrower pays the Premium Amount upfront as a single premium in advance and the debt burden ratio will be calculated without considering the Premium Amount. In such case, the Borrower must ensure that the Premium Amount is in his account prior to loan disbursement, or;
- 17.3.2 The Borrower may request the Bank to finance the Premium Amount along with the Loan Amount. In such case, the Premium Amount will be included in the Equated Monthly Installment (EMI), and the subsequent EMI will be considered when computing the Borrower's debt burden ratio.
- 17.4 For insurance arranged through the Bank, the Bank shall be entitled to an insurance processing fee of 0.05% of the Loan Amount with minimum of OMR 5 (five Omani Rials) and maximum of OMR 75 (seventy five Omani Rials) for Auto, personal loans insurance which shall be payable by the Borrower at the time of disbursement of the Loan. The same fee will be applicable in case of a top-up to the Loan.
- 17.5 The Borrower is required to complete, sign and submit the insurance documents before the disbursement of Loan. The Borrower must to fill in all details, including without limitation, the health declaration correctly and in full to ensure prompt payment of claims by the insurance company in case of death/PTD.
- 17.6 The Borrower hereby acknowledge that providing false, incomplete or inaccurate information will result in the refusal by the insurance company of any claim submitted by the Bank to cover the laon. The Borrower shall indemnify and hold the Bank harmless against any claims, losses, damages, including without limitation, legal fees and expenses, in case of claim rejection by the insurance company or any matter that arise in connection with the Bank arranging insurance on behalf of the Borrower as per Clause 17.3.
- 17.7 Refund of the Premium Amount (in case of full settlement of the loan) would be decided by the insurance company as per the terms stipulated in the relevant insurance documents. However, in case of cancellation of the Life Insurance policy prior to its maturity date, then the refund amount will be received by the insurance company as per Borrower's insurance contract and in accordance with the applicable regulations of the Sultanate of Oman. In case of closure of loan due to maturity or prepayment or grant of additional/ top-up of loans/ finance, the Bank will facilitate automatic refund of the insurance premium for the unexpired maturity.
- 17.8 On each loan top up request, the loan will be treated as a fresh agreement and the Borrower must obtain a new Life Insurance policy using the options mentioned above. Accordingly, the Borrower will have the option to either obtain the Life Insurance through the Bank and pay the insurance premium upfront or add it to the loan amount or opt for Life Insurance using the Borrower's own means without the involvement of the Bank.
- 17.9 In the event of the Borrower's death/PTD, the insurance company will pay the Loan outstanding after completion of all requested documentation and information to process the claim request and, subject to the claim being made by the legal heirs within the period stipulated in the insurance documents and in line with the Bank's policies and the Borrower's insurance documents.
18. Debt Collection
- 18.1. The Borrower agrees that if in the Borrower breaches Terms and Conditions, then the Bank may use the service of an external debt collection agency, solicitors or third parties to recover the outstanding balance.
- 18.2. The Bank shall share the details of the Agreement to contact the Borrower and details of the indebtedness to recover the outstanding sums.

- 18.3. The Bank reserves the right to take all necessary steps to recover any outstanding balance hereunder to protect the assets and equity of the Bank.
19. The Customer has a right to have its personal and financial information protected and the Bank agrees to endeavor to take all appropriate control and protection measures to keep the Customer's personal and financial information safe, unaltered and confidential.
20. Subject to the preceding clause, the Bank and its assignees and affiliates reserve the right to disclose the Customer's information to third parties where:
- 20.1. It is necessary for completing any transaction requested, instructed or authorized by the Customer;
- 20.2. If required or permitted by law, regulations, government instructions and/or court order, to comply with legal and regulatory requirements;
- 20.3. To enforce any rights and/or the performance of any obligation arising in respect of the Account, credit registries, debt collection and credit bureaus;
- 20.4. To enforce and/or defend the Bank's rights and interests;
- 20.5. For the internal operational requirements of the Bank; or
- 20.6. Where the Customer provides the Bank with prior written consent.
21. Terms and Conditions along with its annexures and documents incorporated herein by reference constitutes the full understanding and entire Agreement among the Parties and supersedes and renders null and void any and all prior agreements or understandings between the Parties, where written or oral, in this regard.
- Upon the provision of 60 days prior written notice, Terms and Conditions shall be freely assignable by the Bank at any time without the need for the written consent from the Borrower. The Borrower is not permitted to assign Terms and Conditions without the prior written consent of the Bank.
22. The Borrower acknowledges that he has read the Agreement and understands its terms and conditions and agrees to the obligations, responsibilities and rights herein.
23. Obligations specified herein shall be binding on the Borrower and the Bank.
24. Terms and Conditions shall be valid until all obligations of the Borrower are in the Bank's sole opinion, satisfied.
25. Terms and Conditions shall remain in full force and effect until the Bank confirms in writing to the Borrower that all payments due hereunder from the Borrower to the Bank have been made in full and that all other obligations and liabilities of the Borrower to the Bank have been discharged in full.
26. Any part, provision, representation or warranty of Terms and Conditions which is prohibited or which is held to be void or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof which shall remain in full force and effect.
27. The failure of the Bank to insist, in any one or more instances upon the performance of any of the terms, covenants or conditions of Terms and Conditions or to exercise any right hereunder, shall not be construed as a waiver or relinquishment of the future performance of any such terms, covenants or conditions or the future exercise of such right, but the obligation of the Borrower with respect to such future performance shall continue in full force and effect. Neither a waiver of any provision of the Agreement nor consent to any departure there from shall be effective unless given in writing by the Bank.
28. The Bank shall use its best endeavours to pre-notify the Borrower of any amendments to Terms and Conditions by way of SMS to the Borrower's registered mobile number, e-mail to the Borrower's registered e-mail address, and letter to the Borrower's postal address.
29. General updates that affect all of the Bank's customers will also be posted by the Bank on its website <https://www.bankmuscat.com/en/loans/Pages/details.aspx#personal> and displayed at branches.

30. Such changes will become effective sixty (60) days from the date of notice (unless a different effective date is provided in the notice).
- If any part of Terms and Conditions is or becomes invalid, illegal or unenforceable, it is deemed to be modified to the minimum extent necessary to make it valid, legal and enforceable. If that is not possible, that part is deemed to be deleted. Any modification to, or deletion of, any part of Terms and Conditions does not affect the validity and enforceability of the remainder.
31. The Borrower shall be responsible for all expenses, charges and fees (including but not limited to legal fees) incurred in connection with the Bank exercising its rights relating to any security or other rights hereunder.
32. The Bank may assign all its rights under Terms and Conditions or any part of it to any party at any time it seems fit for its interests subsequent to providing the Borrower with 30 (thirty) days' notice.
33. The Bank shall inform the Borrower of any applicable charges subsequent to charging the Borrower of said charges by way of SMS to the Borrower's registered mobile number, e-mail to the Borrower's registered e-mail address, and letter to the Borrower's postal address..
34. The occurrence of any of the following shall constitute an event of default (Event of Default):
- 34.1. If any information given by the Borrower to the Bank in connection with Terms and Conditions is incorrect or if the Borrower fails to disclose information in connection with Terms and Conditions which the Bank in its sole discretion considers could have a material adverse effect on the Borrower's ability to meet the obligations;
- 34.2. The Borrower fails to make any instalment or interest payments on their due dates;
- 34.3. The Borrower fails to convert the Shahadati Higher Education Loan to a personal loan;
- 34.4. If the Borrower dies or becomes incapacitated;
- 34.5. If a civil action is filed against the Borrower which would have materially affect the Borrower's ability to repay his/her debts;  
or
- 34.6. If the Borrower breaches any terms of Terms and Conditions.
- 34.7 The Borrower taking the same loan criteria (Loan without STL) stated under Clause 40 from other banks operating in the Sultanate of Oman on the same date when this Loan request was submitted to the Bank.
35. Upon the occurrence of an Event of Default, the Bank shall have the right to accelerate the Loan and all amounts outstanding shall become due and payable seven (7) days after the date on which the Event of Default occurs. The Bank may also set any credit balances held in the accounts of the Borrower. The Bank may also take any action it deems necessary in order to protect its interest.
36. Cancellation or expiry of Terms and Conditions will not affect any accrued rights and liabilities of the Bank at any time up to the date of termination.
37. The Borrower shall indemnify the Bank and hold it harmless against any charges, losses, claims, actions, or demands in relation to the outstanding amounts or request for cancellation or expiry of Terms and Conditions.
38. Recognizing the value and importance of full discussion in preserving harmonious relations, every possible effort shall be made by both the Bank and the Borrower to address and resolve any grievance or complaint as expediently as possible.
- 38.1. Shall a Borrower have any query or complaint regarding Terms and Conditions, they may contact the Bank by either:
- 38.1.1. visiting the nearest branch;
- 38.1.2. calling the Call Centre at +968 2479 5555 Contacting the following email address [care@bankmuscat.com](mailto:care@bankmuscat.com)
- 38.1.3. Reporting through the following website: <https://www.bankmuscat.com/en/Pages/User-Feedback.aspx>; or
- 38.1.4. reporting through the Bank's internet banking or mobile banking applications.
- 38.1.5. The Borrower shall use its best endeavors to raise any concerns to the Bank regarding discrepancies in account transactions appearing in the Borrower bank statements, within ten (10) business days of receipt of the bank statement.

### 39. Shahadati Higher Education Loan

39.1 The following terms and conditions shall apply to the "Shahadati Higher Education Loan" which may be availed for the purpose of financing the pursuit of higher education.

39.2 With reference to the Shahadati Higher Education Loan, in the event of any conflict or inconsistency between different parts of Personal & Auto Loans Terms and Conditions, the following descending order of priority applies:

39.2.1 the terms and conditions of the Shahadati Higher Education Loan (Clause 39); then

39.2.2 the main body of Terms and Conditions.

#### 39.3 Obtaining a Shahadati Higher Education Loan for oneself

39.3.1 For the purpose of this Clause 39.3, the Borrower is defined as an employed person availing the Loan for the purpose of financing his/her own higher education studies.

39.3.2 For the duration of the Shahadati Higher Education Loan tenor until Loan Maturity, the Borrower shall only be required to pay the applicable Interest amount at the rate specified in Personal & Auto Loan Application Form (Application Form). No repayments of principal amount of the Loan are due during the loan tenor until Loan Maturity.

39.3.3 The Borrower hereunder shall not be eligible for any Grace Period (defined below) from the Bank. Such Borrowers shall pay the EMI (consisting of Interest only). Immediately on Loan Maturity, the Borrower shall either:

39.3.3.1 repay the full Loan amount in one go (i.e. principal amount and due Interest); or

39.3.3.2 convert the Shahadati Higher Education Loan to a personal loan by visiting the Bank and signing a personal loan agreement.

39.3.3.3 The Borrower shall be exempted from Prepayment charges in case of conversion.

39.3.4 Failure to comply with Clause 39.3.3.1 and 39.3.3.2 will be deemed an Event of Default under Terms and Conditions.

39.3.5 The conversion of a Shahadati Higher Education Loan to a personal loan will incur separate terms and conditions, available in the main body of Terms and Conditions, and payment of monthly installments including the principal amount of the Loan and Interest at the rate mentioned in the personal loan agreement.

39.3.6 The Bank will contact the Borrower sixty (60) days before Loan Maturity through a phone call and/or SMS to the Borrower's mobile number mentioned above to inform the Borrower of available options regarding full Loan repayment or conversion of the Shahadati Higher Education Loan.

#### 39.4 Obtaining a Shahadati Higher Education Loan for a Student

39.4.1 For the purpose of this Clause 39.4, the Borrower is defined as the person availing the Loan for the purpose of financing higher education studies on behalf of another person (Student).

39.4.2 The Borrower guarantees the payment of the Shahadati Higher Education Loan in accordance with Personal & Auto Loans Terms and Conditions.

39.4.3 For the duration of the Shahadati Higher Education Loan tenor and for a period of one (1) year after Loan Maturity (Grace Period), the Borrower shall only be required to pay the applicable Interest amount at the rate specified in Personal & Auto Loan Application Form (Application Form). No repayments of principal amount of the Loan are due during the Grace Period.

39.4.4 Immediately on expiry of the Grace Period, the Borrower shall either:

39.4.4.1 repay the full Loan amount in one go (i.e. principal amount and due Interest); or

39.4.4.2 convert the Shahadati Higher Education Loan to a personal loan by visiting the Bank and signing a personal loan agreement.

39.4.4.3 The Borrower shall be exempted from Prepayment charges in case of conversion.

39.4.5 Failure to comply with Clause 39.4.4 will be deemed an Event of Default under Terms and Conditions.

39.4.6 The conversion of a Shahadati Higher Education Loan to a personal loan will incur separate terms and conditions, available in the main body of Terms and Conditions, and payment of monthly installments including the principal amount of the loan and Interest at the rate mentioned in the personal loan agreement.

39.5 The Bank will contact the Borrower sixty (60) days before Loan Maturity through a phone call and/or SMS to the Borrower's mobile number mentioned above to inform the Borrower of available options regarding full Loan repayment or conversion of the Shahadati Higher Education Loan.

#### 40. Loans Without Salary Transfer Letter

40.1 The Bank, upon its discretion and subject to the satisfaction of all of the other requirements, has the right to grant the Borrower a Loan up to the amount of OMR Fifteen (15,000) thousand without the requirement of assigning the transfer of the Borrower salary and end-of-service benefits from the Borrower employer to their account with the Bank.

40.2 Before the Bank approves granting such Loan, the Borrower shall submit to the Bank a three (3) months bank statement from a bank operating in the Sultanate of Oman.

40.3 The Borrower shall repay the Monthly Installments in relation to the Loan granted by virtue of this Clause 40 by the method agreed between the Bank and the Borrower.

40.4 The Borrower hereby irrevocably and unconditionally warrant the Bank that he/she will not apply for the same Loan criteria from any other bank operating in the Sultanate of Oman on the same day when this Loan request is submitted to the Bank.

40.5 In cases where the Loan is granted without transferring the salary to Bank Muscat, the Borrower at the time of retirement shall confirm to the Bank the source of income for Loan settlement and/or continue with monthly installment payment until Loan maturity.

41. This agreement shall be governed by the laws of the Sultanate of Oman and the Borrower hereby irrevocably submits to the jurisdiction of the Courts of the Sultanate of Oman.

42. The Borrower hereby acknowledges that they have read Terms and Conditions/the Agreement has been read to them and that they understand and agree to the terms, conditions, obligations, liabilities and rights hereunder.

43. The Borrower shall automatically be provided with a copy of Terms and Conditions upon its execution by way of physical copy

44. Words importing gender includes masculine, feminine.

Subject to the above order of priority between documents, later versions of documents shall prevail over earlier ones if there is any conflict or inconsistency between them.