

Retail Asset Products Terms & Conditions

❖ Introduction

- In these Terms, the following words and expressions shall have the following meanings:
- **“We”, “us” and “our”** refer to Arab African International Bank- Egypt. Our **“branches”** means those branches of Arab African International Bank that situated in the Country.
- **“Account”** means each and every personal current, savings & term deposit, saving certificate, finance, overdraft and/or credit/debit card account which we operate for you at your request/instruction through one of our branches (or electronically) as may be applicable in the context in which it appears in these Terms.
- **Call Centre** means the customer service call center operated by us 24/7.
- **Country** means the Arab Republic of Egypt.
- **Joint Account** means an account opened pursuant to a joint account signing authority with two or more account holders and as per the Arab African International Bank terms and conditions.
- Our **“website”** means www.aajib.com
- **“Working days”** means those days our branches are normally open for business, and excluding Fridays, Saturdays and public holidays.

❖ Section one- General

- These terms and conditions apply on all granted personal finance.
- These Terms form the basis of the contract between you and us as regards to the finance and overdraft you hold with us, and their operation.
- These Terms apply along with our Schedule of Services and Tariffs, which can be found on our website www.aajib.com.
- Your relationship with us is also governed by the Consumer Personal Banking Terms and Conditions, available at www.aajib.com.
- By agreeing to apply for a Personal Finance, you will be agreeing to accept the Personal Banking Terms and Conditions, as well as these Terms, so please take the time to read and understand them both before agreeing to apply.
- Separate terms apply to some of our services like Phone Banking. We will make you aware of these terms if they apply to you and give you an opportunity to read and understand them. These terms are available on our website www.aajib.com.
- Based on AAIB’s approval to grant the borrower a personal finance, the borrower declares and irrevocably undertakes to accept these terms & conditions.

1. Interest rate and Settlement

- 1.1. Settle finance amount and interest for a certain number of fixed monthly / annual instalments deducted from the borrower’s account with the bank in addition to one last installment for any interests or charges on the finance amount as a result of any late payments of any installment or for any other reason, and commits to settle this last installment according to the last statement sent to the borrower from the bank and in case settlement is required this installment becomes part of the total finance amount and its interest and the borrower is only cleared upon full settlement.

- 1.2. Payment of the agreed administration fee, which will be deducted from the loan amount when granting finance (with respect to the minimum fee amount in the tariff of charges).
- 1.3. Irrevocably authorize AAIB without restrictions to fill in the finance details for the borrower.
- 1.4. We calculate Interest based on 360 days calendar year and accrues daily on the outstanding remaining finance amount and paid monthly with the finance installment.

2. Finance Instalments

- 2.1. Borrower accepts that the monthly / periodical installment amounts which will be equal to the ratio determined by the bank.
- 2.2. Ensuring to maintain enough balance in the borrower's account to cover the finance monthly / periodical / annual instalments in addition to the account charges during the finance tenor and until full settlement.

3. Administrative fees, Taxes and Stamp Taxes

- 3.1. The bank charges late penalty fees on any due unpaid amounts, where it is calculated on the total due amounts since due date until repayment.
- 3.2. The bank charges settlement fees on any partial / full amounts related to the finance prior to the agreed facility tenor / maturity as per banks' tariff of fees & charges.
- 3.3. The bank has the right to charge any taxes/stamps/administration fees or else as decided by the bank from time to time, and notify the customers with an announcement of the fees through the means that the bank sees appropriate which is considered a notification to the borrower.
- 3.4. Bank and the borrower will pay equally the stamp duty fees levied on the facility outstanding balance on a quarterly basis.
- 3.5. In the case of borrowing in foreign currency, Stamp Taxes are deducted in the currency of the finance, and may incur additional charges due to changes in foreign currency exchange rates.

4. Inability to pay finance instalments

- 4.1. The outstanding value of the finance and its instalments and interest and charges become due for payment immediately in case of failure of payment of any of the amounts in sections 1.1, 1.2, 1.3 and 3.
- 4.2. Setoff
The borrower accepts that the bank undergoes setoff between the finance account and any other account that belongs to the borrower with the bank by merging them in any currency at any time in order to settle the finance amount and its interest and charges.

5. Bank Records

- 5.1. The bank records, accounts and all statements are enough proof of the outstanding finance on the borrower or the amount to be paid by the borrower to settle the finance.

6. Transfer of ownership

6.1. The borrower accepts that the bank assign at any time and to anyone its full or partial rights in this finance and of any securities and to be replaced by someone else in the bank's rights without the need for the borrower's approval or notification or warning.

7. Agreement of Termination

7.1. The borrower's financial commitments mentioned are considered final obligatory commitments. Without affecting any right from the bank's rights, the bank has the right to request the borrower to settle the outstanding amounts of this finance on the bank's discretion, for example and without limitation, if the customer breached any condition of the facility contract, the bank has the right to liquidate the collateral and fully settle the facility.

8. Sharing Information

8.1. The borrower accepts that the bank's information department and authorize its employees to gather any information on the borrower from any source that the department see necessary to accomplish its job including the banks that the borrower's deal with or any other bank or governmental entity or non-governmental or public or private organization. The borrower also accepts that the bank's information department exchanges information with other financial organizations if requested (with respect to the relevant applicable Laws).

8.2. The bank reserves the right to transfer any information or decisions or to contract from within to provide any part of the service to the borrower through a third party including a partner in AAIB subsidiaries, even if the third party follows a different specialization or geographic location and the bank remains responsible towards the borrower for any losses or harms that could be compensated as a result of carelessness or shortening from the third party. The bank will ensure that the third party preserves the confidentiality & privacy of the information at the same level treated by the bank.

9. Credit Reference Agencies

9.1. You agree that we may share your information with credit reference agencies (including credit bureaus operated by banking regulators in the jurisdiction of the Country), and to use other information available from public sources, to verify your identity and suitability for an account. If you apply for a current account or for credit facilities, we may use details of your credit history to assess your ability to meet your financial commitments.

10. Forgery and Money Laundry

10.1. The bank reserves the right at its own discretion and for any reason (to avoid forgery, monitoring, provide services to a third party, finance collection, or in case of a governmental or organizational need) to share any information or details concerning the borrower or his dealings with any member or partner in AAIB.

11. Foreign currency exchange

11.1. The Customer accepts all costs, expenses and risks whatsoever in connection with any finance denominated in a foreign currency including without limitation, any legal or regulatory restrictions, international or domestic, affecting the Bank and the Bank shall not be liable for any loss or delay pursuant thereto (with respect to the relevant applicable Laws).

12. How to complain to us

12.1. If we do not deliver the standard of service, you expect, or if you think we have made a mistake, and you are wishing to complain, please let us know through our Call Centre 19555 or our website www.aaib.com. We will investigate the situation and, if necessary, set about putting matters right as quickly as possible. Where appropriate we will also take steps to prevent a recurrence.

13. Applicable laws

13.1. These Terms and Conditions shall be executed and interpreted in accordance with the regulations and laws of the Arab republic of Egypt, and any dispute arising thereof shall be subject to the jurisdiction of the Cairo Economic Courts.

14. Force majeure

14.1. We shall not be responsible to you for any loss you may incur if we or any of our agents or correspondents are prevented from or delayed in providing you with any banking or other services due to strikes, industrial action, failure of supplies, failure of equipment, internet outage, communication network failure or other causes beyond our reasonable control including force majeure events as provided by law.

❖ **Section 2- Finance offers offered by Arab African International Bank**

Each individual client can have only one unsecured cash loan. At the time of top-up, the earlier loan should be closed and a new loan opened for the consolidated amount. All collaterals for secured facilities must be in the same currency of the facility.

1. Payroll / Salary Transfer Finance

- 1.1. The borrower accepts the employer's commitment to transfer his / her monthly salary including benefits and overtime and profits and all outstanding benefits to the borrower's account with the bank to settle the finance amount granted to the borrower, and to inform the Bank in case of Resignation or Termination.
- 1.2. The borrower authorizes the bank irrevocably to inform the employer of the details of the finance accounts granted to him / her without any objections.
- 1.3. Customer should be employed in the current company for at least 3 months, for some categories 6 months employment is required.
- 1.4. Minimum Age is 21 years, Maximum Age 60 years by loan maturity.
- 1.5. Minimum loan tenor 1 year, Maximum loan tenor up to 10 years (depending on the employer category).

2. Non - Payroll / Instalment Transfer Finance

- 2.1. Customer should be employed in the current company for at least 3 months and it have to be clearly mentioned in HR Letter that probation period has been completed, In case it is not mentioned 6 months employment is required.
- 2.2. Minimum Age is 21 years, Maximum Age 60 years by loan maturity.
- 2.3. Minimum loan tenor 1 year, Maximum loan tenor up to 7 years (depending on the employer category).

3. Loan Buy Out

- 3.1. Facility in the beneficiary bank will not be considered in the debt burden.
- 3.2. Early settlement fees of the beneficiary bank will be calculated at 5% for loans and added to the buyout loan amount unless stated in the liability letter different percentage.
- 3.3. Customer can apply for loan amount greater than the buyout amount based on the debt burden.
- 3.4. Customer can apply for buyout option to buy out cash or car loan in other banks.

4. Secured Cash Loans

- 4.1. Minimum Age is 21 years, No Maximum Age required.
- 4.2. Minimum loan tenor 6 months, Maximum loan tenor 10 years.
- 4.3. Allowed collateral for secured facilities are Certificate of Deposits, Time Deposits, and Mutual Funds.
- 4.4. Product is offered in Egyptian Pound & US Dollars, where facility is granted in same collateral currency.
- 4.5. customer should've resources by FCY (in case the facility by FCY) other than the collateral.

5. Value Plus 120% finance (semi-secured loan)

- Semi secured loan, customer can borrow amount 20% higher than his collateral.
- 5.1. Minimum Age is 21 years, Maximum Age 64 years by loan maturity.
 - 5.2. Minimum loan tenor 6 months, Maximum loan tenor 84 months to CD maturity date.
 - 5.3. Product is only offered in Egyptian Pounds.

6. Value Plus – Bullet

- Secured loan against bullet CD, requires interest only payment during loan life and full settlement at maturity.
- 6.1. Minimum Age is 21 years, No Maximum Age required.
 - 6.2. Minimum loan tenor 6 months, Maximum loan tenor 120 months (loan maturity date equal CD maturity date).
 - 6.3. Product is only offered in Egyptian Pound.

7. Value Plus – 150% finance – Home Loan

- Semi secured loan, customer can borrow amount 50% higher than his/her collateral.
- 7.1. Minimum Age is 21 years, Maximum Age 64 years by loan maturity.
 - 7.2. Minimum loan tenor 6 months, Maximum loan tenor 120 months (CD maturity date should not be less than Loan tenor).
 - 7.3. Product is only offered in Egyptian Pounds.

8. Self-employed finance

Loans to self-employed clients (professionals & non-professionals)

- 8.1. Minimum Age is 28 years, Maximum Age 64 years by loan maturity.
- 8.2. Minimum loan tenor 1 Year, Maximum loan tenor 5 years.
- 8.3. The bank holds the right to consider some business natures as restricted business in accordance to our credit policies.

9. EduInvest – Education Loan

Loan granted for Educational finance to students' salaried parents/guardians. Product is offered in different sub-programs.

- 9.1. Minimum Age is 25 years, Maximum Age 64 years by loan maturity.
- 9.2. Minimum loan tenor 6 months, Maximum loan tenor up to 84 months (maximum varies depending on sub-program type).

10. Tabeb Loan (Medical Sector Finance)

Loan to medical professionals (based on years of experience or for medical equipment purchase).

- 10.1. Minimum Age is 30 years, Maximum Age 64 years by loan maturity.
- 10.2. Minimum loan tenor 6 months, Maximum loan tenor up to 60 months.

11. Auto Loan

- 11.1. Approved loans to be disbursed directly to the car dealer by bank transfer or draft check.
- 11.2. Auto loans should be used only for purchasing four-wheel cars that are not used for rental/taxi purposes except for secured products in which such vehicles are allowed.
- 11.3. Each individual client can have a maximum of only three unsecured auto loans subject to fulfilment of limits across all Auto loans to be limited to his income eligibility, DBR and Minimum 6 months on books.
- 11.4. Each non-individual client can have a maximum of four auto loans subject to fulfilment of limits across all Auto loans to be limited to his income eligibility, DBR and Minimum 6 months on books.
- 11.5. Auto loans can only be sourced through a pre-approved auto dealer except for secured auto loan, which can be sourced from any dealer.
- 11.6. Value of the car will be as per the proforma invoice provided by the dealer and will be verified against the approved price list.
- 11.7. It is mandatory to submit a fully paid in cash insurance policy from one of the approved insurance company listed in the bank's approved insurance company's list, Beneficiary of the insurance should be AAIB.
- 11.8. Insurance amount to be 100% of car price in first year.
- 11.9. Total loss claims only to be paid to AAIB.
- 11.10. Any amendment or cancellation of insurance policy should be done only by AAIB.
- 11.11. Minimum Age is 21 years; maximum age will vary according to the sub-program type.
- 11.12. Minimum loan tenor 6 months, Maximum loan tenor up to 10 Years (maximum varies depending on sub-program type).
- 11.13. The Bank has the right to verify that the car delivered to the customer is complied with the price quotation submitted to the bank and based on the approval issued, just to ensure procedure validity before the disbursement to the dealer.

12. Secured Overdrafts

- 12.1. Collateral for secured overdrafts can be certificate of deposits, time deposits, saving account, or mutual funds.
- 12.2. When the bank grant a finance for a joint account, the parties will be responsible for the finance amount, which means that the bank has the right to demand full payment of finance amount from one party or both parties during the finance period.
- 12.3. Overdraft facility cannot be renewed if the utilization exceeded the maximum funding.
- 12.4. Minimum age is 21 years, no maximum age.
- 12.5. Facility is renewed on annual basis.

❖ Section Three – Finance solutions related features

The customer does not have the right to cancel any product / service request after its activation.

1. Pricing and Fees

- 1.1. Interest rate is different in every program and sub-programs. AAIB holds the right to change the pricing of any facility according to our credit policy and the customer to be notified through the means that the bank sees appropriate which is considered a notification to the borrower (this condition is applied only on facilities with floating rates).
- 1.2. Secured loans against CD's or TD's must be in same collateral type and price group (i.e. all CD's with same interest rate).
- 1.3. Secured Loan tenor must not exceed maturity date of collateral (CD, in case of TD to be renewed until loan closure).
- 1.4. 1.3 Processing fees is due once facility is approved and granted
- 1.5. Early settlement fees and deferral fees are due upon customer's request

2. Loan Installment Deferral

- 2.1. Maximum number of deferrals allowed: three installments in 12 months period.
- 2.2. Maximum number of deferrals at a time: 2 installments.
- 2.3. Loan must be on books for 12 months.
- 2.4. Customer age at the new loan maturity must not exceed maximum age eligibility as per the program.

3. Loan tenor extension

- 3.1. Borrower can extend the loan tenor up to the maximum allowed in the program.
- 3.2. Allowed for unsecured customers only.
- 3.3. Borrower is eligible to apply for the loan extension after 12 months of booking their existing loan.
- 3.4. Borrower's age at the new loan maturity must not exceed maximum age eligibility as per the program.
- 3.5. Loan extension is allowed one time in loan life.