

Personal Loan Agreement

This personal loan agreement (**Agreement**) entered into on [insert date] (**Effective Date**) by and between:

1. Bank Muscat SOAG; a financial institution licensed and regulated by the Central Bank of Oman and the Capital Market Authority of Oman under commercial registration no. 1145738 with its registered office is at P.O. Box 134, P.C.112, Ruwi, with its head office located at Building No. 12014, Block number 311, Street No. 62, Airport Heights, Muscat, Sultanate of Oman (**Bank**); and
2. (**insert Borrower Name**); holder of ID Card No.
and/or Passport No. with Account No.
email address mobile number residing at
..... with postal address (**Borrower**).

(Collectively referred to as the "**Parties**" and individually as a "**Party**").

Background

1. The Bank has agreed to provide to the Borrower an unsecured personal loan facility of OMR subject to the terms and conditions of this Agreement.
2. [[insert any further details]]

IT IS HEREBY AGREED AS FOLLOWS:

1. The Bank will lend to the Borrower a principal amount of OMR and/or such other amount as advised by the Bank by way of a loan (**Loan**).
2. The Borrower will pay interest on the Loan at the rate of% per annum or at such other rate as the Bank may at any time decide and advise to the Borrower in writing in the manner set out in Clause 8 to the Borrower (**Interest**).
3. The Borrower hereby undertakes and their legal heirs and successors to repay, on demand, the Loan with Interest in the manner set out in Clause 9 compounded [monthly/quarterly/yearly] as it remains unpaid.
4. The Borrower will repay the Loan with Interest in equal monthly instalments of OMR (**Monthly Instalment**) on repayment dates of [insert number of repayment dates] (Payment Date) for a period of [insert loan tenure] upon which the Loan shall mature (**Loan Maturity**).
5. 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 22.1 of this Agreement, 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.
6. 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 this Agreement and if the Bank and the Borrower cannot agree to changes to this Agreement to cover such change in law or circumstances, or if the Borrower commits any other breach of any of the terms of this Agreement, 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.

7. From time to time, the Bank has the right to cancel the Loan availed by the Borrower.
8. If the Borrower fails to pay the Loan and Interest in full and/or any amount demanded by the Bank hereunder, then the Bank shall issue written notice within sixty (60) days from such default upon which all and any amount so demanded hereunder shall accrue overdue interest at the rate of% plus 1% (one percent) per annum (Overdue Interest).
9. 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.
10. The Borrower shall not drawdown any amount in excess of the Loan amount specified in Clause 1, 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 of this Agreement.
11. 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.
12. 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.
13. 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.
14. 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 16 or 17 of this Agreement whichever is applicable.
15. 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 this Agreement.
16. Subject to the conditions listed in Clause 16.1 to 16.5 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.
 - 16.1. 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 16 (Prepayment Notice).
 - 16.2. The Prepayment Notice must specify the intended date and amount of the prepayment.
 - 16.3. The amount prepaid must be either the entire Loan OR a part of the loan amount.
 - 16.4. 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 this Agreement.
 - 16.5. Amounts prepaid under this Clause 16 will be applied against remaining repayment instalments in order of maturity on a pro rata basis.

17. Subject to the conditions listed in Clause 17.1 to 17.3 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.
 - 17.1. The Borrower may not revoke or withdraw a notice provided pursuant to this Clause 17 (Cancellation Notice).
 - 17.2. The Cancellation Notice must specify the intended date.
 - 17.3. The amount cancelled must be the full undrawn Loan.
18. This Agreement 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.
19. 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.
20. In the event this Agreement is signed by multiple Borrowers, all covenants, obligations and liabilities of the Borrower under this Agreement 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 Loan and this Agreement. 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.
21. 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.
22. Insurance:
 - 22.1. In case the Borrower wishes for the Bank to arrange an insurance cover, the Bank will insure the Borrower against death and/or permanent partial disability and/or permanent total disability up to the approved Loan amount through an arrangement between the Bank and a reputed insurance company in the Sultanate of Oman.
 - 22.2. The Borrower agrees to pay insurance premium set by the insurer upfront as a single premium. This sum of premium may be added to the requested Loan amount at the discretion of the Borrower. If the insurance premium is added to the Loan, the resultant equated monthly installments (EMI) will be taken into account when computing debt burden ratio. Should the Borrower wish to make his/her arrangement for insurance, the insurance premium should be paid for the full policy tenure in advance.
 - 22.3. Refund of the insurance premium in case of Loan foreclosure would be decided by the insurance company and the terms of the refunds will be stipulated in the insurance documents. On each loan top up request, the Loan will be governed through a separate new loan agreement and full insurance premium will be recovered. Here also, the Borrower has an option to pay the insurance premium upfront or add it to the Loan amount as indicated herein.
 - 22.4. The Borrower shall complete, sign and submit the insurance documentation before the disbursement of the Loan. The applicant shall fill in the health declaration accurately to ensure prompt payment of claims by the insurance company, in case of death, permanent partial disability or permanent total disability. False declaration(s) will result in refusal of the claim by the insurance company.
 - 22.5. In case of the Borrower death, permanent partial disability or permanent total disability, the insurance company will pay the outstanding Loan at the date of event, subject to the claim being made within the period stipulated in the insurance documents.

- 22.6. In the case where the Borrower opts to get their own insurance, the policy should be assigned in the name of the Bank and would be made as the irrevocable beneficiary until the maturity of the Loan. In case of Loan foreclosure, the Bank should be given a letter by the Borrower to cancel the insurance policy assignment.
- 22.7. In case of obtaining individual policies, the insurance policy shall be between the Borrower and the insurance company and in case of any disputes, it would be between the Borrower and the insurance company.
23. Debt Collection
- 23.1. The Borrower agrees that if in the Borrower breaches this Agreement, then the Bank may use the service of an external debt collection agency, solicitors or third parties to recover the outstanding balance.
- 23.2. The Bank shall share the details of the Agreement to contact the Borrower and details of the indebtedness to recover the outstanding sums.
- 23.3. 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.
24. 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.
25. 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:
- 25.1. It is necessary for completing any transaction requested, instructed or authorized by the Customer;
- 25.2. If required or permitted by law, regulations, government instructions and/or court order, to comply with legal and regulatory requirements;
- 25.3. To enforce any rights and/or the performance of any obligation arising in respect of the Account, credit registries, debt collection and credit bureaus;
- 25.4. To enforce and/or defend the Bank's rights and interests;
- 25.5. For the internal operational requirements of the Bank; or
- 25.6. Where the Customer provides the Bank with prior written consent.
26. This Agreement 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, this Agreement 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 this Agreement without the prior written consent of the Bank.
27. The Borrower acknowledges that he has read the Agreement and understands its terms and conditions and agrees to the obligations, responsibilities and rights herein.
28. Obligations specified herein shall be binding on the Borrower and the Bank.
29. This Agreement shall be valid until all obligations of the Borrower are in the Bank's sole opinion, satisfied.
30. This Agreement 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.
31. Any part, provision, representation or warranty of this Agreement 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.

32. 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 this Agreement 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.
33. The Bank shall use its best endeavours to pre-notify the Borrower of any amendments to this Agreement 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. 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.
35. 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 this Agreement 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 this Agreement does not affect the validity and enforceability of the remainder.
36. 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.
37. The Bank may assign all its rights under this Agreement 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.
38. 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..
39. The occurrence of any of the following shall constitute an event of default (Event of Default):
- 39.1. If any information given by the Borrower to the Bank in connection with this Agreement is incorrect or if the Borrower fails to disclose information in connection with this Agreement which the Bank in its sole discretion considers could have a material adverse effect on the Borrower's ability to meet the obligations;
- 39.2. The Borrower fails to make any instalment or interest payments on their due dates;
- 39.3. The Borrower fails to convert the Shahadati Higher Education Loan to a personal loan;
- 39.4. If the Borrower dies or becomes incapacitated;
- 39.5. If a civil action is filed against the Borrower which would have materially affect the Borrower's ability to repay his/her debts;
or
- 39.6. If the Borrower breaches any terms of this Agreement.
40. 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.
41. Cancellation or expiry of this Agreement will not affect any accrued rights and liabilities of the Bank at any time up to the date of termination.
42. 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 this Agreement.
43. 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.

43.1. Shall a Borrower have any query or complaint regarding this Agreement, they may contact the Bank by either:

- 43.1.1. visiting the nearest branch;
- 43.1.2. calling the Call Centre at +968 2479 5555 Contacting the following email address care@bankmuscat.com
- 43.1.3. Reporting through the following website: <https://www.bankmuscat.com/en/Pages/User-Feedback.aspx>; or
- 43.1.4. reporting through the Bank's internet banking or mobile banking applications.
- 43.1.5. 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.

44 Shahadati Higher Education Loan

44.1 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.

44.2 With reference to the Shahadati Higher Education Loan, in the event of any conflict or inconsistency between different parts of this Agreement, the following descending order of priority applies:

- a) the terms and conditions of the Shahadati Higher Education Loan (Clause 44); then
- b) the main body of this Agreement.

44.3 Obtaining a Shahadati Higher Education Loan for oneself

44.3.1 For the purpose of this Clause 44.3, the Borrower is defined as an employed person availing the Loan for the purpose of financing his/her own higher education studies.

44.3.2 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 Clause 2 above. No repayments of principal amount of the Loan are due during the loan tenor until Loan Maturity.

44.3.3 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:

- 44.3.3.1 repay the full Loan amount in one go (i.e. principal amount and due Interest); or
- 44.3.3.2 convert the Shahadati Higher Education Loan to a personal loan by visiting the Bank and signing a personal loan agreement.

44.3.4 Failure to comply with Clause 44.3.3.1 and 44.3.3.2 will be deemed an Event of Default under this Agreement.

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

44.3.6 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.

44.4.1 For the purpose of this Clause 44.4, the Borrower is defined as the person availing the Loan for the purpose of financing higher education studies on behalf of another person (Student).

44.4.2 The Borrower guarantees the payment of the Shahadati Higher Education Loan in accordance with this Agreement.

44.4.3 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 Clause 2 above. No repayments of principal amount of the Loan are due during the Grace Period.

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

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

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

44.4.3 Failure to comply with Clause 44.4.4 will be deemed an Event of Default under this Agreement.

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

44.5 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.

45. 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.
46. The Borrower hereby acknowledges that they have read this Agreement /the Agreement has been read to them and that they understand and agree to the terms, conditions, obligations, liabilities and rights hereunder.
47. The Borrower shall automatically be provided with a copy of this Agreement upon its execution by way of physical copy
48. 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.

Date:

Name:

Borrowers Signature:

Bank Authorized Signature: