

UNDERTAKING LETTER

Date:

To:

The Manager Branch

Sohar International

Dear Sirs,

Subject : Letter of Undertaking

In consideration of your Bank having agreed to grant to me a consumer loan/credit card of RO, I hereby irrevocably and unconditionally undertake as follows:-

In the event of my retirement from the employment, I will irrevocably instruct and advise The Government Organization for Social Insurance of the Sultanate of Oman (GOSI) to transfer, assign and pay all the monies due to myself from them, whether in the form of end of service benefits or pensions to my account No., maintained with your Bank and on such transfer being effected I authorise the Bank to debit my funding account and recover the equal monthly installment (EMI) in respect of the loan from such funding account.

and / or

The Ministry of Civil Service to irrevocable assign my monthly pension payments in favor of your Bank and to transfer such pension on a monthly basis for credit to my account No with your Bank.

In case of early retirement, I will authorize Sohar International SAOG to use my entire End of Service Benefits (ESB) towards the repayment of the outstanding loan amount. I will also continue to pay the monthly installment of my housing finance from my retirement pension as agreed upon at the time of granting me the housing finance or as seen appropriate by the Bank.

In case either GOSI or the Ministry of Civil Service do not transfer / assign the due amount to your Bank, I shall indemnify and hold your Bank harmless from and against any liabilities, claims, costs or expenses that your Bank may incur, sustain or suffer as a result of grant of the facility to myself.

Unless and until the Bank shall have confirmed the release of my obligations, as contained herein in respect of the facility granted by it at my request, my obligations to the Bank here under shall continue.

Any amount required to be paid by GOSI and / or the Ministry of Civil Service or other pension funds which are not paid when due, shall be payable by myself in their entirety with accrued interest and costs.

This undertaking shall be governed by and construed in accordance with the laws of the Sultanate of Oman and in case of any disputes arising between myself and the Bank, the same shall be subject to the jurisdiction of the Commercial Court, Sultanate of Oman.

In the event that I/we fail to pay any amount due to the Bank on the agreed terms I/we hereby authorise you to debit any amount which I/We or any of us have with the Bank with all such sums due to the Bank including interest and any charges incurred by the Bank in connection with the granting or recovery of the loan.

Thank you

Borrower's Signature.....

Name		Account No.																	
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OFFER LETTER

Date:

Mr. / Mrs. / Ms.

P. O. Box No Postal Code

Dear Sir / Madam

Subject: Personal Loan

With reference to your application dated for a consumer loan the Bank is pleased to inform you that your loan request has been approved in principle subject to the execution and provision of the documentation mentioned below to the satisfaction of the Bank and upon the following terms and conditions:

1. Loan amount RO
2. Interest rate at per annum.
3. Purpose
4. Monthly repayment / EMI
5. Start date of monthly repayment
6. Documentation / Security to be provided by you:
 - An irrevocable letter from your employer confirming assignment of your monthly salary and end of service benefits to be paid into your account with the Bank.
 - The Bank's standard loan agreement signed by you.
 - Life insurance for the loan amount to be provided in accordance with the Bank's policy.
7. This offer should not be taken as a conclusive sanction by the Bank to grant you the loan. The Bank has a right to cancel the offer at any time until the execution of the loan agreement without stating any reason. The Bank will not accept any liability, whatsoever, arising from the cancellation of this offer.

Please sign the undertaking letter.

Thank you

Branch Manager

Acceptance

I accept the above offer and agree to the terms and conditions stipulated above.

Borrower's Signature	Name of the witness	Signature of the witness

ID No.:

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(required only in case of illiterate applicants)

Date:

LOAN AGREEMENT

The Agreement is made between Sohar International SAOG (hereinafter referred to as the "Bank")
And
(hereinafter referred to as the "borrower")

IT IS HEREBY AGREED AS FOLLOWS:

- The Bank has advanced or will advance to the Borrower a sum of RO _____ (the "Loan"). The Borrower agrees to pay interest on the Loan at a rate of _____ % per annum to the Borrower. The Borrower undertakes to repay the Loan in monthly installments of _____ till full and final settlement of the Loan and the interest thereon within the agreed tenor.
- The Bank has a right to increase the rate of interest payable on the Loan provided that a notice for the rate increase is advised to the Borrower at the time of each increase unless the increase is pursuant to a Central Bank of Oman directive.
- Any interest, commission, charges, costs or expenses due or incurred in respect of the Loan or any other credit facilities extended to the Borrower by the Bank or of any transaction of any kind carried out at the Borrower's request or on the Borrower's behalf by the Bank, whether or not by written request may be debited to the Borrower's accounts with the Bank.
- 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 to set off all debit and credit balances standing 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 will be liable jointly and severally.
- 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 post or SMS to the last address of the Borrower, known to the Bank.
- The Borrower agrees that the notice of changes in interest rates by the Bank from time to time shall be deemed to have been duly given to the Borrower when advised by mail / or announced in the local press and / or displayed on the Bank's premises. The rate of interest applicable to the Loan shall automatically increase and without prior notice to the Borrower in case such increase shall be made by the Central Bank of Oman from time to time. In all cases the rate of interest applicable to this Loan is not subject to any decrease. Further, the Bank has to right to increase the monthly installment, in order to ensure the repayment of the Loan is within the agreed tenor.
- In addition to 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 its rights against the Borrower under this Agreement.
- This Agreement shall remain in effect until the Bank confirms to the Borrower in writing 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.
- The obligations of the Borrower and the guarantor (if any) are joint and several obligations. Without prejudice to any rights the Bank may have against the Borrower, the Bank may hold any of the aforesaid fully liable for all sums due to it hereunder.
- Should the Borrower leave the Sultanate of Oman, the Borrower undertakes to inform the Bank at least one month in advance and to repay the balance of the Loan outstanding before his/her departure.
- The Bank has the right to demand immediate repayment of all amounts owing by the Borrower pursuant to the Loan, together with all accrued interest and any other costs that may be applicable if at any of the following events (the "Events of Default") shall occur:
 - failure by the Borrower to repay any monthly installment, as and when this falls due for payment
 - the Borrower loses his job for any reason, including but not limited to resignation or dismissal, or even for retirement
 - inability of the Bank to allow the Loan to remain outstanding because it is no longer permitted to do so by law
 - any representation or statement being made by the Borrower by his/her counter signature here of or in any notice or other document, certificate or statement delivered by the Borrower pursuant to or in connection with the Loan is or proves to have been incorrect or misleading in any material respect when made
 - the Borrower failing to duly perform or comply with any of the terms of this Agreement or any documentation or security provided by the Borrower in favour of the Bank (whether in relation to this Loan or otherwise)
 - any circumstances arising which, in the Bank's opinion, gives ground for belief that the Borrower may not (or may be unable to) perform or comply with its obligations under this Agreement or
 - default or breach by the Borrower of any terms or conditions of any other loan, overdraft or credit facility that the Borrower may have from time to time with the Bank.Upon such a demand being made by the Bank, the Borrower undertakes to immediately pay in full the principal amount owed together with interest (including default interest) and any other charges, costs and fees due to the Bank.
- In any legal action or proceedings arising out of or in connection with this Agreement and otherwise for the purposes here of, the entries made from time to time in such final accounts shall, in the absence of manifest error, be final and conclusive and binding upon the Borrower as to the existence and amounts of the obligations of the Borrower therein recorded.
- In the event of non payment of the Loan, as per the agreed repayment schedule, a penal interest @ %1 p.a. will be charged on the overdue amount and for overdue period only.
- The Bank reserves the right to recall the entire Loan amount in the event of any installments becoming overdue, at any period of time during the loan tenor.
- In case of pre-payment or pre closure of Loan before the agreed due date, for whatever reasons, a prepayment charge of 1 % of the amount pre-paid/pre-closed, as on the date of closure or as per the latest pre-closure norms of the bank will be charged to the Borrower.
- If the Borrower approaches the Bank, before loan due date and requests for a top up of the Loan or for rescheduling of the outstanding, the Bank may, at its sole discretion, agree to the request and charge the Borrower for such top up or rescheduling and debit the Borrower's account, as per the rates prescribed by the Bank, for such facilities, from time to time.
- The following will be applicable
 - In the unfortunate event of permanent total disability of the Borrower for any reasons whatsoever, the Bank should be notified in writing within one month of such occurrence / incident.
 - The Bank is not responsible for any non-settlement of insurance claims due to delay in fulfillment of the above requirement or if the Bank is not notified of the Borrower's death.
 - It shall be the responsibility of the Borrower / family members of Borrower / legal heirs of the Borrower to provide to the Bank all related documents certified by the Royal Oman Police and concerned medical authorities to support the claim in the event of death or permanent disability of the Borrower as mentioned above.
- Statements and acknowledgement of the outstanding
 - The Bank will mail, to the last known address, as mentioned in the books of the Bank, at periodic intervals, Bank statements pertaining to the loan account of the Borrower.
 - It is the responsibility of the Borrower to notify to the Bank from time to time of any change of address of the Borrower, so that communications / mails can reach the Borrower.
 - It is the responsibility of the Borrower to inform / notify the Bank, in writing, within 15 days of the date of dispatch of the Bank's advice or statement, if he has any disagreement, discrepancy, or dispute related to the loan accounts with the Bank. Any failure to do so shall be construed as Borrower's acknowledgement and undertaking of the liabilities towards the Bank.
- All documents pertaining to the Loan shall form an integral part of the loan documents and will be binding on both parties
- The Borrower hereby acknowledges that he / she has read this Agreement or that the agreement has been read to him / her and that he / she understands and agrees to the terms and conditions, the obligations, liabilities and rights as set out in this Agreement.
- In case of any dispute regarding this Agreement the Borrower agrees that this Agreement shall be subject to and governed by the laws and regulations in force in the Sultanate of Oman.
- Borrower authorise the Bank to debit his/her account with charges for processing of the loan by the Bank and other charges that may be levied by the Bank from time to time, including insurance premium. Borrower agrees that the loan will be subject to credit approval by the Bank.

- Borrower also agrees that the Bank representatives may contact his/her office or residence by phone or to meet in person to verify the address and other details provided by them in the application form and the Borrower has no objection to this.
- In case of a loan top up the Borrower agrees that the Bank will recover the outstanding liability from the proceeds of the new loan.
- In case of a take over of loan from another bank, the Borrower authorise the Bank to settle his/her liability with the other bank and the Borrower undertakes to obtain a salary assignment letter in favor of the Bank within two weeks of disbursement of the loan. The Borrower agrees that the balance of any loan approved for him/her by the Bank, after payment of outstanding loan amount to the other bank, will be made available to him/her only after salary assignment letter is received by the Bank and after the first salary is received with the Bank.
- This Agreement is prepared and signed in duplicate, a copy of which is made available to the Borrower for his / her information and record.
- I agree and authorize the Bank to verify any information provided in the loan application from any sources to authenticate the information.
- The insurance cover terms and conditions was explained to me by the Bank and I agree to the terms of the insurance cover, I the undersigned declare that all the statements made in the insurance declaration form are true to the best of my knowledge and belief. Further, I confirm that if investigation reveals that information provided to insurance company are not true or accurate, the Insurance Company might not be liable to pay the loan or the outstanding amounts thereof. In such a case I shall be personally liable to make such payments to the Bank.
- Refund of premium is automated as agreed with insurance company.
- Claim Handling** : Claims handling to be intimated within 90 days, following documents to be attached:
 - Police Report in case of accidents or unnatural events.
 - Claim form duly completed and signed
 - Proof of Age
 - Original Death or Disability Certificate
 - Medical Report
- Exclusions include**
 - Undisclosed conditions of serious past illness as (Diabetes, Hypertension/High Blood Pressure, Raised Cholesterol, Liver Disease including Hepatitis, Lungs/Kidney/Stomach/ Nervous Disorder, Stroke, HIV/AIDS)
 - Misuse of drugs or alcohol
 - Loan for medical treatment of the Borrower
 - Nuclear fission, fusion, radiation or radioactivity
 - Active war, passive war, or terrorism
 - Unlawful Acts
 - Dangerous or hazardous sports
 - Mental Disorders
 - Coverage not limited to above
- Life Insurance Production** : The Bank has requested and I agree to obtain life insurance to pay off the Loan in the event of an unexpected death, or Permanent Total Disability, which is mandatory for the Loan to be advanced to me.
- Life Insurance Product** : The Bank has advised me that I may also choose the life insurance product offered in partnership by the Bank. I have decided to accept the insurance offered in partnership by the Bank. I am aware that I can finance my life insurance by including the premium in my Loan. The insurance will be automatically assigned to the Bank. I am aware that I may only have my Loan disbursed (available) only after approval of my life insurance cover.
- Application for Coverage** : By signing this declaration, I hereby apply for the life insurance coverage available from the Bank. I am aware that the premium amount may be higher than the amount the Bank has estimated based on the information I provide the insurer. I understand this is the sole discretion of the Insurer based on my risk profile
- Payment Terms** : To receive my insurance cover. I must pay a premium. I can finance this premium. I hereby authorise the Bank to debit my account in advance, the entire amount of the premium for the entire term of the Loan. I understand that the insurance is only available for the amount of the Loan outstanding at the date of the claim.
- Premium Terms** : I am aware that the insurer may revise the premium during the term of the Loan because of changes to the terms and conditions of the Loan. If there is an increase I authorise the Bank to debit my account for the additional amount. I also understand that sometimes loan terms are changed due to the inability of customers to support the payments. If this happens, the premium will also increase.
- Open Term** : If I repay the Loan in full before the terms ends, I am aware that I will be eligible for a partial refund of my insurance premium. I will receive a refund less administrative charges to the Bank. I have reviewed the formula given on the application form and I understand the basis behind the calculation. I agree to the terms of calculation.
- Insurance**: The Borrower authorises the Bank to arrange life insurance cover for the amount of the Loan until it is repaid in full and to debit the Borrowers account with the costs thereof. The Borrower acknowledges that such insurance cover will be endorsed in favour of the Bank.

The Bank shall not be held responsible to the Borrower or to anyone else, for any discrepancy in this insurance policy, nor shall be held liable towards the Borrower or anyone else, for the rejection of any claim made in connection with this Loan Agreement. It should not be construed that the Bank is the Insurer or the insured for this insurance policy. As the above paragraph clearly expresses, the Bank is only the beneficiary of this policy.
- Confidentiality** : For the purposes of Article 70 of the Oman Banking Law 114/2000, the Borrower irrevocably authorizes the Bank, should it so desire, to disclose to any party or to the Bank's counsels or to any other third parties, in relation to this Agreement such information about the Borrower and his banking transactions, as the Bank shall consider appropriate.
- Know Your Customer**: The Borrower will:
 - upon request by the Bank provide any documentation and other evidence required by the Bank to comply with its KYC Procedures;
 - notify the Bank if any details provided for the Bank's KYC Procedures are no longer correct.
 - For the purposes of this Clause KYC Procedures means the identification checks which the Bank is required to undertake under any law or regulation, including Royal Decrees 34/2002 and 72/2004.
- Anti-Money Laundering**
 - The Bank is required to act in accordance with the laws and regulations of the Sultanate of Oman and comply with the requests of the authorities which relate to:
 - the prevention of money laundering, terrorist financing, corruption, tax evasion and the provision of financial or other services to any persons which may be subject to economic or trade sanctions; or
 - the investigation or prosecution of, or the enforcement against, any person for an offence against any laws or regulations.
 - The Bank may take any action which the Bank in its sole discretion considers appropriate to prevent or investigate crime or the potential breach of sanctions, regimes or to act in accordance with the relevant laws, regulations, sanctions, international guidance, Bank procedures or direction of any public or regulatory body relevant to the Bank.
- Central Bank of Oman**

The Borrower agrees that any directive or regulation issued by the Central Bank of Oman which modifies, supplements or amends any terms and conditions applicable to this Agreement shall modify, supplement or amend the terms of the applicable Agreement from the date that such directive or regulation is binding on the Bank.

Date

Signature of the Borrower

Bank Authorised Signatory

BANK USE – CHECK LIST

Documents received as under:

Application form with documentation	<input type="checkbox"/> YES	<input type="checkbox"/> NO
ID / Passport Copy, original verified	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Salary Assignment letter	<input type="checkbox"/> YES	<input type="checkbox"/> NO
No objection certificate	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Bank statement / outstanding liability certificate	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Photograph (if any)	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Utility bill (water / electricity) – if available	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Insurance Term slip	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Insurance health declaration	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Letter of undertaking	<input type="checkbox"/> YES	<input type="checkbox"/> NO

Any other documents:

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Opportunity Number	
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Type of Loan	<input type="checkbox"/> New	<input type="checkbox"/> Buyout	<input type="checkbox"/> Top up
Applicant's name in CBO Caution list	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
BCSB Check	<input type="checkbox"/> Satisfactory	<input type="checkbox"/> Not Satisfactory	

Buyout Check-list

Name of the Bank

Amount Outstanding

Has the applicant guaranteed any loan in the other bank ☐ YES ☐ NO

Loan statement and funding account statement ☐ Attached ☐ Not attached

Approved Loan Amount Rate of Interest%

Installment

Remarks:

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Exceptions (if any) :

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Staff Number		CRE Signature	
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DATE

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BRANCH MANAGER SIGNATURE AND STAMP