

TERMS AND CONDITIONS



بنك نور الإسلامي
NOOR ISLAMIC BANK
BE UNLIMITED

**TERMS AND CONDITIONS FOR CREDIT CARD,
 FIXED FEE CARD AND CHARGE CARD**
Noor Islamic Bank

These terms and conditions (“Terms and Conditions”) will govern any Card(s) issued by the Bank and will be effective from the date the Card is activated, which will signify the Cardholder’s irrevocable and unconditional acceptance of these Terms and Conditions.

1. DEFINITIONS AND INTERPRETATION

1.1. In these Terms and Conditions, the following terms shall have the following meanings:

“ATM”
 means an automated teller machine, cash handling machine or any Card operated machine or device whether belonging to the Bank or other participating banks or financial institutions nominated from time to time by the Bank, which accepts cash, cheques and the Card and which operates 24 hours a day.

“Available Balance”
 means the credit balance of the Card Account available for use by the Cardholder.

“Bank”
 means Noor Islamic Bank or any of its branches, subsidiaries or its successors and assigns.

“Beneficiaries”
 means the intended recipient of funds as transferred by the Bank upon the instructions of the Cardholder through the use of the Card.

“Card”
 means any Credit Card, Fixed Fee Card or Charge Card issued by the Bank to a Primary Cardholder and all Supplementary Cards or Replacement Cards issued in connection with that Primary Cardholder’s Card Account, with membership to either Visa or MasterCard, including but not limited to a Credit Card, Fixed Fee Card or Charge Card.

“Cardholder”
 means the person or entity for whose use the Card was issued by the Bank and includes the Primary Cardholder and any Supplementary Cardholder.

“Card number”
 means the unique 16 digit number embossed on the face of the Card, which uniquely identifies the Card Account.

“Card Account”
 means the card account opened by the Bank for the Primary Cardholder for the purpose of entering all credits received and debits incurred in connection with Card Transactions and these Terms and Conditions.

“Card Transaction”
 means any Cash Withdrawal made available by the Bank or the amount charged (or otherwise debited to the Card) by the Bank or any Merchant for any goods, service, benefit or reservation (including, without limitation, any reservation made by the Cardholder for air, rail, motor or other transportation or hotel or other lodging or accommodation or other transportation rental or hire, whether or not utilised by the Cardholder) obtained by the use of the Card(s) or the Card number(s) or the PIN or the TIN or in any other manner including, without limitation, mail, telephone, facsimile or internet orders or reservations authorized or made by the Cardholder, regardless of whether a sales or Cash Withdrawal or other voucher or form was signed by the Cardholder.

“Cash Withdrawal”
 means any amount withdrawn in cash by the Cardholder from the Bank or any other bank or financial institution by utilising the Card and the card facilities made available to the Cardholder.

“Cash Withdrawal Fee”
 means, in relation to a Cash Withdrawal, the fee prescribed and notified to the Cardholder by the Bank from time to time and as assessed and charged in accordance with Clause 7.3.

“Charges”
 means any amount payable by the Cardholder arising from the issue or the use of the Card(s) or the Card number or the PIN or the TIN or otherwise under these Terms and Conditions and includes, without limitation, all charges imposed by Visa, MasterCard and the Bank for settling Card Transactions on the Cardholder’s behalf, as well as all other applicable fees, charges, expenses, damages, legal costs and disbursements.

“Credit Card”
 means any Credit Card, Fixed Fee Card or Charge Card issued by the Bank to a Cardholder.

“Credit Limit”
 means the maximum aggregate amount available for Card Transactions as communicated to the Primary Cardholder from time to time.

“Credit Limit Funds”
 means, in relation to a Credit Card, the credit balance in the Card Account up to the maximum aggregate amount of the Credit Limit, being deposited into the Short Term Investment Deposit Account and funded through the Cardholder’s own funds or by way of the Tawarruq Transaction in accordance with Clause 2.

“EDM”
 means any electronic deposit machine designated by the Bank (either at a branch of the Bank or anywhere else) for the purpose of depositing cash or cheques for the credit of the Card Account.

“General Terms and Conditions”
 means the Bank’s Banking Services General Terms and Conditions, as amended, varied and replaced from time to time.

“IVR”
 means the Bank’s interactive voice response system.

“Merchant”
 means any corporate entity, person or other establishment supplying goods and/or services who accepts the Card as a mode of payment or reservation by the Cardholder.

“Minimum Amount Due”
 means the percentage of the Credit Limit payment to be made by the Primary Cardholder under Clause 6 hereof, calculated on the Statement Balance in accordance with Clause 6.7 and as reflected in the relevant Statement of Account.

“Payment Due Date”
 means the date specified in the Statement of Account by which the Statement Balance or the Minimum Amount Due is to be made into the Card Account.

“PIN”
 means the personal identification number issued to the Cardholder by the Bank, or selected by the Cardholder by using the IVR or other channels made available by the Bank which allows the Cardholder to access the Bank’s computer system through internet banking, ATM’s or other electronic services provided by the Bank.

“Pre-paid Card”
 means any pre-paid card issued by the Bank to a Cardholder.

“Primary Card”
 means a Card issued to the Primary Cardholder.

“Primary Cardholder”
 means the person, other than a Supplementary Cardholder, who opens a Card Account with the Bank and in whose name the Primary Card is issued.

“Replacement Card”
 means a further Card issued to a Cardholder to replace an existing Card.

“Short Term Investment Deposit Account”
 means the short term investment deposit account established pursuant to Clause 2, and which is subject to the provisions of the General Terms and Conditions relating to such an account.

“Statement Balance”
 means the total amount due by the Cardholder for each Statement Period as shown on the relevant Statement of Account.

“Statement of Account”
 means the monthly or other periodic statements of account sent or communicated to the Primary Cardholder (inclusive of IVR communications), indicating the particulars of the Statement Balance and other transactional activities relating to the Card for a Statement Period and, if any, the amounts and/or deposits payable to the Bank.

“Statement Period”
 means the monthly or other periodic intervals to which a Statement of Account relates.

“Supplementary Card”
 means a Card which is supplementary to the Primary Card issued to a Supplementary Cardholder.

“Supplementary Cardholder”
 means any person to whom a Supplementary Card is issued on the request of the Primary Cardholder.

“Tawarruq Transaction”
 means a separate commodity Murabaha transaction, or any other Shari’a compliant financing facility, entered into by the Primary

Cardholder to finance the Credit Limit Funds subject to the terms and conditions governing the same as may be agreed to by the Cardholder and the Bank from time to time.

“Tawarruq Transaction Profit”
 means the profit payable by the Primary Cardholder to the Bank under the Tawarruq Transaction for the relevant Statement Period.

“TIN”
 means a telephone identification number issued to the Cardholder which allows a Customer to access or carry out transactions over the phone.

1.2. Unless the context requires otherwise, the following rules shall apply:

- a. where two or more persons constitute the expression the “Cardholder”, all covenants, agreements, undertakings, stipulations, obligations, conditions and other provisions hereof and their liability herein shall be deemed to be made by and be binding and applicable respectively on them jointly and each of them severally and shall also be binding on and applicable to his personal representatives, successors and/or assigns jointly and severally.
- b. reference to any person including the Cardholder, the Bank and/or any other persons and/or legal entities shall include the personal representatives, successors and/or assigns of the person.
- c. reference to any person shall include any corporation, firm, partnership, society, association, statutory body and agency, whether local or foreign.
- d. the clauses and other headings herein are for ease of reference only and shall not affect the interpretation of any provision hereof.
- e. reference to a statutory provision includes reference to any modification, consolidation or re-enactment of it for the time being in force, and all statutory instruments or orders made pursuant to it.
- f. words importing the singular meaning shall where the context admits include the plural and vice-versa.
- g. words for a gender include all genders.
- h. where a word or phrase is defined, its other grammatical forms

have a corresponding meaning.

i. references to “month” shall mean references to a Gregorian month.

- 1.3.** to the extent they relate to the subject matter of, and do not conflict with, these Terms and Conditions, the General Terms and Conditions are incorporated herein by reference and the Cardholder hereby confirms having read the General Terms and Conditions and that they are unconditionally accepted to form part of these Terms and Conditions.

2. CREDIT CARD

Structure

2.1. The structure and mechanism of the Credit Card is based on the following:

- a. the Cardholder shall deposit in the Short Term Investment Deposit Account an amount which is equivalent to the approved Credit Limit (i.e. the Credit Limit Funds);
- b. the Bank will then guarantee the obligations of the Cardholder and pay amounts due to Beneficiaries pursuant to the Cardholder’s utilisation of the Credit Card, with any such payment by the Bank being funded from the Credit Limit Funds (held in the Short Term Investment Deposit Account); and
- c. any payments funded from the Credit Limit Funds will be refunded to the Short Term Investment Deposit Account each month through the Cardholder’s payments required under Clause 6.

Credit Limit Funds

2.2. The Cardholder may provide the Credit Limit Funds:

- a. from his/her own funds in accordance with Clause 2.3; or
- b. by entering into a Murabaha contract with the Bank in accordance with Clause 2.4.

Funding from Cardholder

2.3. If the Cardholder chooses to provide the Credit Limit Funds from his/her own funds, the Cardholder shall:

- a. deposit the Credit Limit Funds in the Short Term Investment Deposit Account, which the Bank will allow the Cardholder to utilise through use of the Credit Card; and
- b. sign a special services agreement in the form provided by the Bank to allow the Cardholder to use the Credit Card through Visa or MasterCard.

Funding from Murabaha

- 2.4. If the Cardholder chooses not to provide the Credit Limit Funds from his/her own funds, the Cardholder will enter into a Murabaha contract with the Bank (the "Murabaha Contract") under which the Cardholder shall, through a deferred payment Murabaha (or Tawarruq), purchase a share in a quantity of specified commodities owned by the Bank (and in which the Bank bears the risks by virtue of having actual possession thereof) (the "Commodities"). Upon purchasing a share in the Commodities, the Cardholder will become a partner in the ownership of the Commodities with the other purchasers of the Commodities from the Bank under partnership (Sharikat Milk). The Cardholder, together with the other owners, will bear the risk in the Commodities (including price risk) on a pro rata basis in accordance to their respective shares therein.
- 2.5. Under the terms of the Murabaha Contract, the Cardholder (as the purchaser) will be required to deposit in the Short Term Investment Deposit Account an amount equal to the Sale Price (as defined below) as security for the deferred sale price set out therein. The Cardholder may utilise this amount in the manner agreed by the Bank (as the seller) provided that the Cardholder re-deposits with the Bank each month a certain amount of the funds utilised by the Cardholder (as specified and required by the Bank from time to time).
- 2.6. After the Cardholder purchases a share of the Commodities in the manner set out in Clause 2.4, he/she has the right either to require the physical delivery of his/her share at his/her expense (in accordance with terms of the Murabaha Contract) or to sell the share to a third party.
- 2.7. If the Cardholder chooses to sell the Commodities, he/she will sign an offer to sell (the "Offer to Sell") and forward such Offer to Sell directly (or through the Bank as the Cardholder's messenger) to such purchaser as recommended by the Bank or any other party as the Cardholder may select (the "Purchaser").

2.8. Upon the execution of the Offer to Sell, the Cardholder shall sign a service contract with the Bank and agree on the following:

- a. the Bank will collect the sale price (the "Sale Price") from the Purchaser (provided that the Purchaser accepts the sale);
- b. if the Cardholder has not deposited the entire portion of the Credit Limit Funds into the Short Term Investment Deposit Account, the Bank will deposit the Sale Price into the Short Term Investment Deposit Account in accordance with the terms of the Murabaha Contract. If the entire portion of the Credit Limit Funds has been deposited in the Short Term Investment Deposit Account, the Sale Price will be deposited in any one of the Cardholder's accounts with the Bank (or, if there are no such accounts, disbursed to the Cardholder in the manner determined by the Bank) and the Cardholder will have the right to use this money as he/she chooses; and
- c. the Bank will allow the Cardholder to utilise the Credit Limit Funds through use of the Credit Card.

Murabaha Profit

- 2.9. Subject to Clause 6.6, the Cardholder shall pay the Murabaha profit to the Bank calculated as follows:
 - a. if the Cardholder has entered into a Murabaha Contract, the profit payable shall be the difference between the profit payable by the Cardholder under the Murabaha Contract less the profit due to the Cardholder under the Card Account (pursuant to Clause 3.1) for the relevant Statement Period;
 - b. further to sub-clause (a), if the profit payable under the Murabaha Contract is less than the profit due to the Cardholder under the Card Account for the relevant Statement Period, no profit shall be payable by the Cardholder for the relevant Statement Period;
 - c. if the Cardholder has not entered into a Murabaha Contract, no profit is payable for that Statement Period; and
 - d. notwithstanding any provision in this Clause 2.9, the Cardholder shall be liable to pay all fees and charges under Clause 6.

No Current Account

- 2.10. For the avoidance of doubt, the Card Account is not a current account, and nothing in these Terms and Conditions shall be deemed to oblige the Cardholder to provide a loan to the Bank in

return for the Bank providing the guarantee set out in Clause 2.1(b).

Excess Funds

- 2.11. Any funds deposited into the Short Term Investment Deposit Account in excess of the Credit Limit shall not be included in any calculation of the profit payable under these Terms and Conditions.

3. PROFIT ON THE CARD ACCOUNT

- 3.1. In relation to the Credit Card, the Current Balance of the Card Account from time to time shall be invested by the Bank on an unrestricted Mudaraba basis in the common investing pool between the depositors of the Bank and the realised net profits from the common investment pool shall be distributed between the depositors according to their respective shares in accordance with an agreed profit distribution methodology as approved by the Bank's Sharia'a Board. Pursuant to Clause 1.3, the Bank's General Terms and Conditions as they relate to unrestricted Mudaraba accounts are incorporated herein, including but not limited to provisions relating to profit distributions on Mudaraba accounts.
- 3.2. Card Accounts relating to all other Cards (other than the Credit Card) shall not attract or be entitled to profit on the Current Balance of the relevant Card Account.

4. THE CARD

- 4.1. The Card may be collected by the Cardholder or sent by post or courier to the address notified to the Bank by the Cardholder at the risk of the Cardholder.
- 4.2. Upon receipt of the Card the Cardholder shall:
 - a. contact or notify the Bank in the manner specified by the Bank to confirm receipt of and activate the Card; and
 - b. shall sign the Card immediately, and such confirmation of receipt, signature, use or activation of the Card shall constitute binding and conclusive evidence of the confirmation of the Cardholder to be bound by these Terms and Conditions, notwithstanding that the Bank is not notified of the Cardholder's receipt of the Card.

4.3. In the event that the Cardholder does not wish to be bound by these Terms and Conditions, the Cardholder shall cut the Card in half and return both halves to the Bank and Clause 10 shall apply.

4.4. The Card is and will be, at all times, the property of the Bank and shall be surrendered to the Bank immediately upon request by the Bank or its duly authorised agent. The Bank reserves the right to withdraw the Card at its absolute discretion and/or terminate the Card with or without prior notice and in whatever circumstances it deems fit.

4.5. The Card is not transferable and shall be used exclusively by the Cardholder and the Cardholder agrees not to disclose the internet PIN or TIN to any third party. The Card may not be pledged by the Cardholder as security for any purpose whatsoever.

5. USE OF THE CARD

5.1. The Card is issued for use in connection with the credit card facilities made available by the Bank from time to time at its absolute discretion and may be used for Card Transactions:

- a. within the Credit Limit notified by the Bank to the Cardholder;
- b. until the expiry date embossed on the face of the Card; and
- c. otherwise in accordance with these Terms and Conditions.

5.2. The Cardholder undertakes to act in good faith at all times in relation to all dealings with the Card and the Bank.

5.3. Notwithstanding that the Credit Limit has not been exhausted, the Bank shall be entitled to, at any time and without prior notice and without giving any reason and without liability towards the Cardholder, withdraw and restrict the Cardholder's right to use the Card or to refuse to authorise any Card Transaction.

5.4. A Cardholder shall not be allowed to use the Card for any purposes that may be considered as illegal, haram or repugnant under the rules and principles of Sharia'a and the Bank reserves the right (subject to any applicable law) to refuse settlement of any Card Transaction on a Cardholder's behalf if the Bank is of the reasonable opinion that the Card Transaction concerned is for goods and/or services which it considers as haram. The Bank shall have no responsibility to ensure that the Cardholder

abides by the provisions of this Clause.

5.5. Where an ATM facility has been incorporated in the Card, the Cardholder shall be responsible for all Card Transactions whether processed with the Cardholder's knowledge or by way of express or implied authority. The Cardholder hereby authorises the Bank to debit the Card Account with the amount of any withdrawal in accordance with the ATM or relevant bank or financial institution's electronic record of the transaction. The Cardholder accepts such electronic record of transaction as conclusive and binding for all purposes.

6. PAYMENT

6.1. The Cardholder agrees to pay to the Bank, upon the request of the Bank:

- a. an annual membership fee (as prescribed by the Bank) for the use of the Primary Card and each Supplementary Card when issued or renewed;
- b. a card replacement fee (as prescribed by the Bank) for the issue of a Replacement Card;
- c. additional charges (as prescribed by the Bank) for the provision of copies of sales/cash advance drafts and any further services the Bank may provide from time to time; and
- d. such other fees or charges notified by the Bank from time to time.

6.2. The Bank may, from time to time, without giving any notice to the Cardholder, change the amount of fees or charges payable by the Cardholder under these Terms and Conditions and the period of time within which the fees or charges are payable by the Cardholder under these Terms and Conditions. Such changes shall apply from the effective date specified by the Bank.

6.3. The Cardholder undertakes to:

- a. stay within the prescribed Credit Limit assigned/ established by the Bank for the Cardholder unless prior approval to exceed this Credit Limit is obtained by the Cardholder from the Bank; and
- b. to effect no purchases or transactions which may cause the aggregate outstanding balance of the Cardholder's obligations to the Bank under all such purchases and transactions along with charges to exceed such Credit Limit. If the Cardholder exceeds

the Credit Limit, the Cardholder shall, in addition to the amounts payable under this Clause 6, immediately pay to the Bank, upon demand by the Bank:

c. the full sum by which the Credit Limit is exceeded; and

d. an over limit fee (as prescribed by the Bank) in consideration of the Bank acting as guarantor and guaranteeing (in favour of the relevant Merchants or Beneficiaries) the sum by which the Credit Limit is exceeded. In the event of a failure by the Cardholder to pay to the Bank the full sum demanded the whole outstanding balance on the Cardholder's Account shall become immediately due and payable and the provisions of Clause 10.6 shall apply.

6.4. All payments to be made by the Cardholder shall be in the billing currency of the Card Account. If payment is made in any other currency, the Cardholder shall pay the Bank all exchange, commission and other charges or losses charged or incurred by the Bank in converting such payment to the billing currency. Such conversion shall be effected at such rate of exchange as may be conclusively determined by the Bank as at the date that it is recorded in the Card Account. Any payment made to the Bank by the Cardholder in the billing currency of the Card Account will be credited to the Card Account only on the date of the Bank's posting of the funds to the Card Account in Dubai and where payment is made in any currency other than the billing currency, such payment shall be credited after the date when such payment is converted into the billing currency or when the relevant funds have been received for value by the Bank in Dubai and assigned to the Card Account.

6.5. The Bank shall be entitled to treat the following as evidence of an obligation properly incurred by the Cardholder to be debited to the Card Account:

- a. any sales draft, transaction record (through any terminal), credit voucher, cash disbursement draft and/or other charge record bearing the imprint or other reproduction of embossed information printed on the Card and duly completed; and/or
- b. the Bank's record of Cash Withdrawals or of any other transactions effected by the use of the Card including but not limited to transactions effected via mail order, telephone or the internet.

6.6. The Cardholder agrees to pay the total amount due described in the Statement of Account on or before the Payment Due

Date. In relation to the Credit Card, the Cardholder shall not be obligated to pay any Murabaha profit (under Clause 2.9) for the relevant Statement Period if the Bank receives payment of the Statement Balance in full on or before the Payment Due Date.

- 6.7.** Except for the Charge Card, which must be settled in full on each Payment Due Date, if the Cardholder chooses not to settle the total amount due specified in the Statement of Account in accordance with Clause 6.6, the Cardholder must pay the Minimum Amount Due as specified on the Statement of Account on or prior to the Payment Due Date. The Minimum Amount Due will be the aggregate of the following amounts:
- a. a percentage of the principal amount as mentioned in the letter of understanding signed by the customer at the time of applying for the card;
 - b. any over-limit amount debited to the Card in excess of the Credit Limit;
 - c. all fees and Charges payable by the Cardholder;
 - d. the profit payable by the Cardholder; and
 - e. the Minimum Amount Due (if any) outstanding from any previous Statement of Account.

If clause 10.6 is applicable, the Minimum Amount Due will be equal to the full amount outstanding under these Terms and Conditions, as certified by the Bank.

- 6.8.** In relation to the Credit Card, without limiting the Bank's absolute discretion under Clause 6.22, the Cardholder acknowledges that if payments are made after a relevant Payment Due Date, or if the Minimum Amount Due is not paid in full, the Bank may exercise its discretion not to declare or pay the discretionary bonus amount as per the provisions of clause 6.22, the result being a possible increase in the profit rate.
- 6.9.** If the Current Balance of the Card Account is at any time in excess of the Credit Limit or the amount of the Statement Balance (whichever is higher), then the Bank retains the right not to process any payments by the Cardholder and to return such payments to the Cardholder. The Bank also retains the right, in such cases as it deems necessary, to call such Cardholder to verify reason for such excess payments.

6.10. All payments for purchases of goods and/or services and Cash Withdrawals effected by the use of the Card and all Charges, annual fees, card replacement fees, additional charges and profit shall be debited to the Card Account in the billing currency and shall be reflected in the Statement of Account.

6.11. Without prejudice to the Bank's rights at any time to take the appropriate legal action, the Bank will charge a service fee for any returned unpaid cheques drawn by the Cardholder in connection with attempted payments made in connection with these Terms and Conditions and/or deposits attempted to be made to the Card Account.

6.12. If a Card Transaction disputed by the Cardholder is subsequently proven to have been originated by the Cardholder, the Bank retains the right to charge-back, as from the date when the Card Transaction took place, the Card Transaction amount along with the profit and any additional fees and expenses incurred by the Bank in the investigation thereof.

6.13. The Bank's acceptance of late payments or partial payments or cheques or money orders marked as constituting payment in full or otherwise of the Card Account or any indulgence granted by the Bank in the failure to collect the amounts due from the Cardholder as and when they are so entitled under these Terms and Conditions shall not operate as a waiver by the Bank nor modify these Terms and Conditions in any respect nor prevent the Bank from later enforcing any of its rights under these Terms and Conditions to collect the amounts due hereunder.

6.14. The Bank may, in its absolute discretion, demand as a condition for the approval of any application to obtain a Card, that the applicant deposits an undated cheque, promissory note and/or pledges cash collateral in favour of the Bank for any amount which the Bank may require. The Bank may, at any time, demand that the Cardholder deposits an undated cheque and/or promissory note in favour of the Bank for the amount which the Bank may require even where such a cheque, promissory note and/or pledge of cash collateral was not demanded when the Card was issued to be Cardholder. The Cardholder has authorised the Bank to insert the date of the said cheque and to present it for payment on the inserted date against any amount due to the Bank.

6.15. Any deposits or payments which are:

- a. cash, may only be regarded as received by the Bank upon the same being credited to the Card Account;

b. cheques, shall be accepted for collection and the proceeds shall not be available until the cheque has been cleared and the proceeds paid to the Bank by the paying bank; and

c. made by depositing cash or cheques in any of the ATM or EDM (or by other available channels) designated by the Bank shall not give rise to any liability for the Bank due to the loss or delay of such payment. Cheques deposited at the ATM or EDM (or by other available channels) shall only be credited to the Card Account after verification by the Bank (which verification shall be conclusive and binding against the Cardholder) and any statement issued on making a deposit shall only represent what the Cardholder purports to have deposited and shall in no way bind the Bank as to its correctness.

6.16. The Cardholder agrees that the records of the Bank of any Card Transaction effected by the use of the Card shall be conclusive and binding on the Cardholder for all purposes.

6.17. A Cardholder will not be allowed to transfer funds from one Card Account to another to settle dues in respect of other Card Accounts held with the Bank.

6.18. Cardholders having accounts with the Bank will specify to the Bank the percentage of the Statement Balance that should be automatically debited from the Cardholder's designated account with the Bank. If no specific instructions are received from the Cardholder then the Bank may automatically debit any of the Cardholder's accounts with the Bank every month for at least the Minimum Amount Due (or the Statement Balance in respect of the Credit Card). The Cardholder must ensure that sufficient funds are available in the account or that a direct payment has been effected on time.

6.19. While executing the automatic debit payment instruction as outlined in Clause 6.18 above, if for any reason whatsoever, the amount of funds in the designated bank account is less than the amount to be debited as per the Cardholder's instruction, then the Bank will debit whatever amount is available in the designated account with the Bank. Additionally, the Bank retains the right to debit the bank account for an amount higher than the specified percentage by the Cardholder.

6.20. The Cardholder hereby expressly agrees that if any sums shall be due from the Cardholder to the Bank at anytime under the Tawarruq Transaction or the Card Account, or if the

Cardholder shall be liable to the Bank on any banking account or any other account in any manner whatsoever, or if default is made by the Cardholder in relation to such accounts or any other banking facilities granted by the Bank to the Cardholder, then and in such event all amounts due hereunder and the Tawarruq Transaction shall become immediately due and payable and the provisions of Clause 10.6 shall apply.

- 6.21.** Notwithstanding the exercise by the Bank of any of its rights hereunder, any profit rates stipulated in the Tawarruq Transaction shall continue to be chargeable on any of the sums of money which remain due and unpaid after the exercise of any of the Bank's rights. In the event that a judgment is obtained in relation to any sum wherein it is adjudged that any sum of money be paid to the Bank, the profit shall be payable on such sum of money so adjudged from the date of such judgment until the date of full payment thereof.
- 6.22.** The Bank may from time to time operate a discretionary bonus scheme whereby bonuses are awarded to Cardholders who pay or repay the Statement Balance in full on the relevant Payment Due Date or to Cardholders who have not utilised the Card during the relevant Statement Period. Such a scheme, if offered by the Bank in its sole discretion, will be subject to terms and conditions as the Bank may specify from time to time. The Bank may modify or discontinue the scheme from time to time at its sole discretion.
- 6.23.** The Bank may issue the Cards subject to such specific terms, limitations, fees or other conditions as the Bank may specify from time to time.

7. CASH WITHDRAWALS

- 7.1.** The Cardholder may obtain Cash Withdrawals in such amount as may be acceptable to the Bank, from time to time at its absolute discretion, by the following means:
- presenting the Card at any office of any member institution of MasterCard or Visa International which offers such facility together with evidence of his identity and subject to the Cardholder signing the necessary transaction records or other requisite documentation; or
 - use of the Card at any ATM of the Bank or at any other bank or financial institution with whom the Bank has an arrangement(s) for the use of the ATM of the said bank or institution in which case the amount of each advance will be

further subject to the applicable daily withdrawal limit of the ATM. The use of the Card by the Cardholder to obtain a Cash Withdrawal shall be deemed to constitute the agreement of the Cardholder to pay the Cash Withdrawal Fee.

- 7.2.** Any cash withdrawals effected through the use of the Card on any ATM installed by the Bank shall be subject to verification by the Bank, and the amount so verified shall be deemed to be the correct amount of the withdrawal so affected.
- 7.3.** The Cash Withdrawal Fee shall be assessed on the amount of each Cash Withdrawal (subject to the Bank's minimum charge) and charged to the Card Account.

8. SUPPLEMENTARY CARD AND CARDHOLDERS

- 8.1.** The Bank may, in its absolute discretion, issue a Supplementary Card to a person nominated by the Primary Cardholder. The issue of Supplementary Card(s) shall be subject to such terms and conditions which the Bank may deem necessary.
- 8.2.** All the terms and conditions applicable herein to the Cardholder shall apply mutatis mutandis (i.e. with the necessary changes) to the Supplementary Cardholder. Every Supplementary Cardholder shall be jointly and severally liable with the Primary Cardholder for all costs, goods, services and Cash Withdrawals obtained and all Card Transactions generated by the use of the Card as well as the Supplementary Card(s). The Bank may, in its absolute discretion, commence an action or proceedings against the Primary Cardholder or the Supplementary Cardholder or both.
- 8.3.** The undertakings, liabilities and obligations of the Primary Cardholder and Supplementary Cardholder to the Bank and the Bank's rights shall not be affected in any way by any dispute or counterclaim or right of set-off which the Primary Cardholder and the Supplementary Cardholder may have against each other.
- 8.4.** The Primary Cardholder shall be fully liable to the Bank for all Charges and other liabilities incurred by the Primary Cardholder and the Supplementary Cardholder notwithstanding any legal disability or incapacity of the Supplementary Cardholder, and the Primary Cardholder shall indemnify the Bank against any loss, damage, liability, costs and expenses, whether legal or otherwise, incurred or suffered by the Bank by reason of any breach of these Terms and Conditions by the Supplementary Cardholder.
- 8.5.** The Credit Limit assigned to the Primary Cardholder is inclusive

of the Credit Limit of the Supplementary Cardholder and the Primary Cardholder and the Supplementary Cardholder shall not permit the total Charges incurred through their respective Cards to exceed the Credit Limit. If the Supplementary Cardholder has been assigned a specific limit that shall constitute the maximum spending limit on the Supplementary Card. However, this in no way absolves the Primary Cardholder from being fully liable to the Bank for all debts incurred by the Supplementary Cardholder.

- 8.6.** The validity of the Supplementary Card is dependent upon the validity of the Primary Card. Upon termination of the use of the Primary Card or the Primary Cardholder's agreement with the Bank, for whatever reason, the Supplementary Card(s) shall also be terminated.
- 8.7.** In the event that the Primary Cardholder requests a maximum credit limit to be applicable to the Supplementary Card, any such request shall be treated as a preference only and should, for whatever reason, the Supplementary Cardholder exceed such limit, the Primary Cardholder shall remain liable for the additional spending to the full extent of the outstanding balance.

9. LOSS OF CARD/ DISCLOSURE OF PIN

- 9.1.** The Bank may issue a PIN/TIN to the Cardholder (or the Cardholder may select a PIN/TIN via the phone by calling the Bank's contact centre, IVR or through any other service made available by the Bank) for use at any ATM which will accept the Card or anywhere the PIN/TIN is accepted.
- 9.2.** The Cardholder agrees that the PIN/TIN may be sent by post to him/her at his/her own risk. The Cardholder shall be fully liable to the Bank for all Card Transactions made with the PIN/TIN whether with or without the knowledge of the Cardholder.
- 9.3.** The Cardholder shall take all reasonable precautions to prevent the loss or theft of the Card and shall not disclose the PIN to any party.
- 9.4.** In the event that the Card is lost or stolen or that the PIN/TIN is disclosed to any other party, the Cardholder shall immediately report the said loss, theft or disclosure, together with the particulars of the Card, to the Bank and subsequently report the loss, theft or disclosure to the nearest police station where

such loss or theft or disclosure occurred. Upon notification of such loss or theft, or in the event of any illegal or suspicious Card Transactions, the Bank may, without further notice to the Cardholder, suspend the use of the Card.

- 9.5. The Cardholder shall be and shall remain to be fully liable for the payments to the Bank for any debit to the Card Account arising from any Card Transactions, good or services supplied by Merchants, Cash Withdrawals or ATM transactions effected through the use of the Card by any person whether with or without the knowledge of the Cardholder and irrespective of whether they were authorised by the Cardholder or not.
- 9.6. The Bank may, at its absolute discretion, issue a Replacement Card for any lost or stolen Card or new PIN or TIN on these Terms and Conditions or such other terms and conditions as the Bank may deem fit.
- 9.7. In the event that the Cardholder recovers the lost or stolen Card, he shall return the same cut in half immediately to the Bank without using it. The Cardholder shall not use the PIN or TIN after reporting the disclosure thereof to the Bank.
- 9.8. All PIN/TIN based transactions will be subject to the government or Central Bank liability limits, which the Bank must comply with and may affect use of the Card.
- 9.9. Any cards and PINs/TINs issued will remain the property of the Bank.

10. TERMINATION

- 10.1. The Cardholder may at any time notify the Bank of his/her intention to close the Card Account and terminate the use of all Cards by giving notice in writing and returning all the Cards, cut in half, to the Bank. The Card Account and the Short Term investment Deposit Account (where applicable) shall be closed only after the receipt by the Bank of all the Cards, cut in half, and the full payment of all Charges and liabilities under the Card Account and/or the Tawarruq Transaction.
- 10.2. The Primary Cardholder or any Supplementary Cardholder may at any time terminate the use of the Supplementary Card by giving notice in writing (or by such other means acceptable to the Bank from time to time) to the Bank and by returning the Supplementary Card, cut in half, to the Bank. In such event, all Cardholders, including the Supplementary Cardholder whose

use of the Card has been terminated, shall be and shall continue to be jointly and severally liable to the Bank for all Charges and other liabilities in accordance with these Terms and Conditions provided that the Supplementary Cardholder, whose use of the Card has been terminated, shall not be liable for Charges and other liabilities incurred by the Primary Cardholder and any other Supplementary Cardholders (if any) after the Bank's receipt of the cut Supplementary Card.

- 10.3. The Bank may, at any time, recall all or any of the Card(s) with or without giving prior notice to the Cardholder. The Cardholder shall immediately after such recall, return such Card(s) cut in half to the Bank and make full payment or repayment of all Charges and liabilities under the Card Account and/or the Tawarruq Transaction.
- 10.4. The Bank shall terminate the use of the Card without notice upon the death, bankruptcy or insolvency of the Cardholder or when the whereabouts of the Cardholder becomes unknown to the Bank due to any cause not attributed to the Bank.
- 10.5. In the event of the Cardholder's bankruptcy, death, or insolvency, the holder(s) of Supplementary Card(s) will immediately cease the use of the Card(s) and return them to the Bank.
- 10.6. Notwithstanding the due dates specified in the Cardholder's Statement of Account, the whole of the Statement Balance, together with any outstanding amount incurred by the use of the Card but not charged to the Cardholder's Card Account and all Charges and profit shall become immediately due and payable to the Bank on the termination of these Terms and Conditions by either:
 - a. termination of use or closure of the Card or Card Account by the Bank;
 - b. termination of use or closure of the Card or Card Account by the Cardholder;
 - c. or on the death, Bankruptcy or insolvency of the Cardholder; or
 - d. at the Banks discretion, if the Cardholder is in breach of these conditions, and the Cardholder and/or his estate will be responsible for the settling of outstanding balances on the Card Account and shall keep the Bank indemnified for all costs (including legal fees) and expense incurred in recovering such outstanding balances.

10.7. It is hereby expressly agreed by the Cardholder and the Bank that all the provisions contained herein shall continue in full force and effect notwithstanding the termination of the use of the Card in accordance with the terms of these Terms and Conditions. All further monies debited to the Card Account after termination of the use of the Card shall become immediately due and payable upon their entry into the Card Account and all Charges and profit shall also be immediately payable, and the Bank may take all necessary legal action to enforce its rights under these Terms and Conditions.

10.8. In the event that any security is held by the Bank as collateral for the issuance of the Card, the Bank reserves the right to retain such security for a period of at least 45 days (or such shorter period acceptable to the Bank which allows the Bank to charge all outstanding Card Transactions and Charges to the Card Account) following the Card being cancelled and being returned to the Bank, whether cancelled by the Cardholder or the Bank, or following the Agreement being terminated for whatever reason.

10.9. The Bank shall not be liable to refund the annual membership fee or any part thereof in the event of the termination of the use of any or all of the Card(s).

11. EXCLUSION OF LIABILITY

11.1. The Bank shall not be liable for any loss or damage howsoever incurred or suffered by the Cardholder by reason of the Bank or a Merchant or other bank or financial institution or any ATM or other party refusing to allow a Card Transaction or accept the Card or the Card number or the PIN/TIN or to extend or provide Cash Withdrawals.

11.2. The Bank shall not be responsible for the refusal of any Merchant or member institution of Visa/MasterCard International to honour or accept the Card or for any defect or deficiency in the goods or service supplied to the Cardholder by any Merchant or, where applicable, for any breach or non performance by a Merchant of Card Transactions.

11.3. In the event of any dispute between the Cardholder and any Merchant, bank, financial institution or any other person, the Cardholder's liability to the Bank shall not in any way be affected by such dispute or any counterclaim or right of setoff which the Cardholder may have against such Merchant, bank or financial institution or person.

11.4. The Bank will credit the Card Account with the amount of any refund only upon receipt of a properly issued credit voucher (or other electronic notice/record) from the Merchant establishment.

11.5. The Bank shall not be liable in any way to the Cardholder for any loss or damage of whatever nature due to or arising from any disruption or failure or defect in any ATM or other machine or communication system or facilities or data processing system or transmission link or any industrial or other dispute or anything or cause, whether beyond the control of the Bank or otherwise.

12. DISCLOSURE OF INFORMATION

12.1. The Cardholder irrevocably authorises and permits the Bank, as it deems fit, and without any written consent whatsoever, to disclose and furnish such information, including financial information, concerning the Cardholder and its affairs, including, but not limited to, the account of the Cardholder under these Terms and Conditions to the Bank's subsidiaries, affiliates, associates, branches, assignees, agents or other parties authorised by the Bank to enable the Bank to enforce the Cardholder's obligations under these Terms and Conditions, both in the UAE and outside.

12.2. The Bank shall have the right to check the credit standing of an applicant for the Card and/or check the credit standing of the Cardholder at any time as and when the Bank deems fit without reference to him/her.

13. INDEMNITY

The Cardholder undertakes and agrees to indemnify the Bank and hold it harmless against any loss, damage, liability, costs and expenses, whether legal or otherwise, which the Bank may incur by reason of these Terms and Conditions or any breach thereof or the enforcement of the Bank's rights as herein provided. All costs and expenses, including legal costs and disbursements, incurred by the Bank in enforcing and seeking to enforce these Terms and Conditions or otherwise, may be debited to the Card Account and shall be payable by the Cardholder.

14. LIEN AND SET OFF

The Bank may, at any time, assert a lien over any money, shares,

securities, documents or other assets and property of whatever nature which are held in the Cardholder's name in any account or financing arrangement and/or at any branch of the Bank. The Bank may, at any time, apply all or part of the money, shares, securities, documents or other assets and property of whatever nature which are held in the Cardholder's name in any account and/or at any branch of the Bank (including, if applicable, before the maturity of a fixed deposit) towards any indebtedness or amounts due under any financial transaction, howsoever incurred and whether actual or contingent, of the Cardholder to the Bank (including a joint account with a Supplementary Cardholder) and whether in the same currency as the account or not. The Bank may effect any necessary conversions at the rate of exchange at which the Bank is able to purchase the currency of the Cardholder's obligations or at the Bank's own prevailing rate of exchange displayed at the Bank's counters, as the Bank may select at its absolute discretion. All costs, other than interest, incurred by the Bank in respect of the exercise of the said right of lien and reconciliation shall be for the account of the Cardholder and payable on demand.

15. NOTICES

15.1. The Cardholder must promptly notify the Bank in writing of any changes in employment or business or address (office or residential) or if the Cardholder intends to be absent from the United Arab Emirates for more than one month.

15.2. If the Cardholder intends to leave the United Arab Emirates permanently or for any extended period of time, the Card and Supplementary Card(s) shall be returned to the Bank 45 days (or such shorter period acceptable to the Bank which allows the Bank to charge all outstanding Card Transactions and Charges to the Card Account) prior to the Cardholder's departure and the use of the Card and Supplementary Card(s) shall be deemed to be terminated and Clause 10.6 shall apply.

15.3. All Cards, PIN/TIN, Notices, Statements of Account, demands or any other communication under these Terms and Conditions (hereinafter collectively called "Communications") may be delivered personally or sent by ordinary post or by electronic means to the last known billing or other address of the Cardholder and such Communications shall be deemed to be served on the Cardholder on the day of delivery, if delivered by hand and on the next business day after posting if sent by post. All Communications under these Terms and Conditions sent to the Primary Cardholder or to the Supplementary Cardholder shall be deemed to be Communications sent to both.

15.4. Any instructions conveyed by the Cardholder through the Bank's contact centre and/or the IVR and/or any of the Bank branches or contact points shall be deemed valid. The Bank has the right to record all such telephonic instructions and may act upon and use such records as evidence in the case of disputes/complaints or in a court of law or other legal proceedings. The Cardholder consents to such recording and use of the same by the Bank and understands that the range of services provided through the contact centre may change from time to time.

15.5. Instructions sent by the Cardholder to the Bank through facsimile communication shall be considered valid and binding on the Cardholder and the Bank may act upon instructions conveyed through this method, and the bank shall be under no obligation to rectify the authenticity or validity of any such instructions. The Bank may use copies of facsimile transmissions in any court of law

15.6. Subject always to any applicable law, where the Bank is required to give notice to the Cardholder under these Terms and Conditions, such notice shall be considered valid and binding on, and deemed to be received by, the Cardholder if it is displayed at the Bank's branches or on its website, sent by post, SMS or facsimile or otherwise notified to the Cardholder on the Statement of Account or through other electronic means.

16. MISCELLANEOUS

16.1. The Cardholder undertakes to sign such further documents as may be requested by the Bank from time to time.

16.2. All fees and charges pursuant to or in connection with these Terms and Conditions are non-refundable.

16.3. The Bank may, from time to time, use the Cardholder's contact details and non-financial account information for internal or external marketing campaigns.

16.4. The Bank shall be entitled at any time without the consent of the Cardholder to assign the whole or any part of its rights, or obligations under these Terms and Conditions with or without notice to the Cardholder.

16.5. This Agreement shall be binding upon and inure to the benefit of the respective successors in title and assigns of the Cardholder and the Bank provided that the Cardholder shall not assign his rights and obligations hereunder.

16.6. The Bank may appoint an agent to collect all sums due to the Bank from the Cardholder under these Terms and Conditions.

16.7. From time to time, and at its sole discretion, the Bank may offer:

- a. different types of Cards (for example, Classic, Classic Plus, Gold) which will have different features, services, benefits, financing limits and pricing, and such Cards may be subject to such qualification or use requirements and restrictions as the Bank deems fit; and
- b. additional benefits and services relating to the Card(s) such as travel insurance, purchase protection, travel assistance etc. Such services are offered on a best effort basis and the Bank shall have no responsibility for direct, indirect, special, incidental or consequential damages in the event that they are not provided. The Bank may modify or discontinue, and/or impose such charges for these services, as it shall determine from time to time and at its sole discretion.

17. VARIATION OF TERMS

17.1. The Bank may, within Sharia'a limits, from time to time, change these Terms and Conditions including, but not limited to, the terms of payment by the Cardholder by way of annual fees, handling charges, additional charges and the specified Minimum Amount Due.

17.2. Retention or use of the Card after the effective date of any change of Terms and Conditions pursuant to Clause 17.1 hereof shall be deemed to constitute acceptance of such changes without reservation by the Cardholder. If the Cardholder does not accept the proposed change, the Cardholder must terminate the use of the Card by giving prior written notice to the Bank and return the Card cut in half to the Bank prior to the effective date and Clause 10.6 shall apply. Upon such termination the annual fee paid is not refundable.

18. DISCLOSURE

18.1. The Cardholder irrevocably agrees that the Bank may, at its discretion and for any purpose (including for the purpose of fraud prevention, audit and debt collection, or if required by any competent government or regulatory body) share any information, details or data relating to the Cardholder and/or the Card Account and/or the Cardholder's transactions with the Bank or its affiliates and branches.

18.2. The Cardholder irrevocably agrees that the Bank may transfer or sub-contract the provision of any part of the services provided to the Cardholder to any third party. The Bank shall remain liable to the Cardholder for any recoverable loss or damage incurred or suffered by the Cardholder as a result of the negligence, breach or default of any such third party, and will require that any such third party maintains the confidentiality of any such information to the same extent as the Bank.

19. WAIVER

If the Bank does not at any time exercise the full implementation of any clause or obligation set out in these terms and conditions, or if the Bank delays the implementation thereof, the same shall not be considered to be a waiver of its right or abandonment of the full implementation at a subsequent time.

20. SEVERANCE

Each of these Terms and Conditions shall be severally distinct from one another and if at any time any one or more of such Terms and Conditions is or becomes invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

21. NO PAYMENT OF INTEREST

Nothing in these Terms and Conditions shall oblige the Bank or the Cardholder to pay interest or to receive any interest on any amount payable in violation of the Islamic Sharia'a or to do anything that is unacceptable under the Islamic Sharia'a.

22. GOVERNING LAW AND JURISDICTION

22.1. These Terms and Conditions shall be governed by and construed in all respects in accordance with the laws of the UAE.

22.2. The Cardholder irrevocably agrees for the benefit of the Bank that the courts of the UAE shall have jurisdiction to hear and determine any suit, action or proceeding, and to settle any disputes which may arise out of or in connection with these Terms and Conditions and, for such purposes, irrevocably submits to the jurisdiction of such courts.

22.3. The Cardholder irrevocably waives any objection which it might now or hereafter have to the courts referred to in this Clause being nominated as the forum to hear and determine any suit, action or proceeding and to settle any disputes which may arise out of or in connection with these Terms and Conditions and agrees not to claim that any such court is not a convenient or appropriate forum.

22.4. Submission to the jurisdiction of the courts referred to in this Clause shall not limit the right of the Bank to take proceedings against the Cardholder in any other court of competent jurisdiction nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdiction, whether concurrently or not.