

CONSUMER LOAN CONTRACT



Account No. _____ Kuwait, ____ / ____ / _____

This contract was made between:

First Party: National Bank of Kuwait S.A.K., whose head office is located at Abdullah Al-Ahmed Street, Kuwait City

Second Party: _____ place of work: _____

Place of residence: _____

P. O. Box: _____ Area: _____ Postal Code: _____ Fax No.: _____

The two parties have agreed as follows:

- 1- The First Party hereby grants the Second Party a medium-term loan on the Second Party's account No. _____ for an amount of KD _____ for the purpose of _____. The Second Party acknowledges his indebtedness to the First Party for the amount of the loan with the interest thereon and all amounts associated therewith.
- 2- The term of this loan is _____ months / years commencing on the date of the signing of this contract and ending on ____ / ____ / _____, without prejudice to the continued effect of the of this contract with all the provisions hereof against the Second Party until full settlement of all his obligations arising herefrom.
- 3- The entire amount of this loan shall be subject to interest at a fixed rate of 5.500% per annum, calculated and payable monthly according to the banking regulations adopted by the First Party.
- 4- The Second Party shall settle the entire amount of this loan by _____ successive monthly installments of KD _____ each, including the interest due.
- 5- The Second Party acknowledges that his above-mentioned account has a credit / debit balance of KD 0.0000 excluding the interest due on the debit balance with effect from _____.
- 6- The First Party may assign all its rights and entitlements under this contract to whoever it may wish without referring to the Second Party who declares his acceptance of such assignment and its effect against the Second Party and the passing to the assignee of the right and the amounts associated therewith and security related thereto.
- 7- This loan shall, by agreement of the parties hereto, be subject to the terms and conditions set forth in the appendix hereto which the Second Party acknowledges that he has inspected and accepted. The term "contract" wherever it appears shall include all things mentioned in this contract and the appendix hereto, and both of them shall, together, form an integral document.
- 8- This contract and the appendix hereto shall be subject to the Kuwaiti law and to the jurisdiction of the Kuwaiti courts. Both contracting parties agree upon the local jurisdiction of the court of the capital of Kuwait to hear any dispute arising herefrom.

This contract was made in two copies one for each party hereto. By signing this contract each party is deemed to admit that he has received a copy of the contract for acting in accordance therewith.

(signature)

Signature of the Second Party

(signature)

Signature of the First Party

INSTALLMENT LOAN CONTRACT



Account No. _____ Kuwait, ____ / ____ / _____

This contract was made between:

First Party: National Bank of Kuwait S.A.K., whose head office is located at Abdullah Al-Ahmed Street, Kuwait City

Second Party: _____ place of work: _____

Place of residence: _____

P. O. Box: _____ Area: _____ Postal Code: _____ Fax No.: _____

The two parties have agreed as follows:

- 1- The First Party hereby grants the Second Party a long-term loan on the Second Party's account No. _____ for an amount of KD twenty nine thousand four hundred only for the purchase / restoration of a house. The Second Party acknowledges his indebtedness to the First Party for the amount of the loan with the interest thereon and all amounts associated therewith.
- 2- The term of this loan is _____ months / years commencing on the date of the signing of this contract and ending on ____ / ____ / _____, without prejudice to the continued effect of the of this contract with all the provisions hereof against the Second Party until full settlement of all his obligations arising herefrom.
- 3- The entire amount of this loan shall be subject to interest at a fixed rate of _____% per annum (representing 3.000% above the discount rate announced by the Central Bank of Kuwait as on the date of this contract), calculated and payable monthly according to the banking regulations adopted by the First Party. It has been agreed between the two parties that the First party will review this interest rate at the end of every period of five years of the life of this contract, and that the First Party, alone, shall have the right to revise this rate to be in line with the rate of interest announced by the Central Bank of Kuwait as at the date of such review, provided that the amount of change of the interest rate shall not exceed 2% (by increase or decrease) over or below the rate applicable immediately before such review. The change shall apply with effect from the sixty-first installment if it is determined at the end of the fifth year of the life of the loan, and with effect from the one hundred twenty-first installment if it is determined at the end of the tenth year of the term of the contract. The debit advice to the account of the Second Party at the new rate shall, in the event of revision, be binding upon the Second Party and constitute notice of this rate.
- 4- The Second Party shall settle the entire amount of this loan by _____ successive monthly installments of KD _____ each, including the interest due; provided that the amount of the installment shall change with effect from the sixty-first installment and from the one hundred and twenty first rate depending on the change in the interest rate pursuant to the provisions of Article 3 of this contract. The Second Party declares that, in view of the length of the term of this contract, interest thereon may exceed the principal amount thereof in line with the banking regulations in force and current commercial custom.
- 5- The Second Party acknowledges that his above-mentioned account has a credit / debit balance of KD _____ excluding the interest due on the debit balance with effect from _____.
- 6- The First Party may assign all its rights and entitlements under this contract to whoever it may wish without referring to the Second Party who declares his acceptance of such assignment and its effect against the Second Party and the passing to the assignee of the right and the amounts associated therewith and security related thereto.
- 7- This loan shall, by agreement of the parties hereto, be subject to the terms and conditions set forth in the appendix hereto which the Second Party acknowledges that he has inspected and accepted. The term "contract" wherever it appears shall include all things mentioned in this contract and the appendix hereto, and both of them shall, together, form an integral document.
- 8- This contract and the appendix hereto shall be subject to the Kuwaiti law and to the jurisdiction of the Kuwaiti courts. Both contracting parties agree upon the local jurisdiction of the court of the capital of Kuwait to hear any dispute arising herefrom.

This contract was made in two copies one for each party hereto. By signing this contract each party is deemed to admit that he has received a copy of the contract for acting in accordance therewith.

(signature)

Signature of the Second Party

(signature)

Signature of the First Party

SUPPLEMENTARY LOAN CONTRACT



This appendix shall be considered an integral part of the installment / consumer loan contract made on ____ / ____ / ____ between:

First Party: National Bank of Kuwait S.A.K.

and the Second Party: _____,

Account No. _____

The said loan contract is hereinafter referred to as "the contract" and its provisions and the following terms and conditions shall apply to the loan granted pursuant thereto by the First Party to the Second Party:

- 1- The Second Party shall have his monthly salary and/or fixed income indicated in the loan application transferred to his account specified hereabove with the First Party and such transfer shall continue until the repayment of the full amount of the loan and the interest thereon and all amounts associated therewith. The Second Party shall also transfer his terminal benefits to his aforesaid account. The First Party, upon receipt of these amounts or entitlements, shall have the right to apply them toward reducing the debit balance of the loan amount even in the event where the installments thereof have not fallen due for payment, without the need to give any notice or warning.
- 2- The Second Party shall repay the installment amount on the due date thereof every month, without the need for a notice, warning or other legal action. In the event where any amounts or monthly salaries accumulated for several months or leave salaries are received in the account, the bank shall have the right to deduct in advance the installment amounts corresponding to those amounts or salaries before though the original due date thereof has not fallen yet.
- 3- In support of the indebtedness of the Second Party arising from the contract, the Second Party has issued a promissory note to order for the amount of the loan / promissory notes in the amounts of the loan installments in favor of the First Party. This note(s) shall not be regarded as substitutes for the amount of the loan owed by the Second Party under the contract or a discharge or renewal of the loan.
- 4- The Second Party undertakes to submit all the documents that the First Party may request, including the invoices and documents that support its use of the loan for the purpose for which it has been granted.
- 5- The Second Party hereby declares that he enjoys good health, has never been under medical care in any hospital or suffered any diseases that have ever prevented him from practicing his work for a period of ten days successively during the three years immediately preceding the date of the contract.
- 6- The Second Party declares all credit balances, financial and commercial paper, and all other properties deposited or registered in his name at present or to be registered or deposited in his name in the future at the Bank or any of its branches or subsidiaries inside or outside Kuwait, guarantee the performance of the Second Party's obligations arising from the contract made with the First Party. The First Party shall have the right to offset these balance and assets against the obligations of the Second Party arising from the contract.
- 7- The Second Party acknowledges that the First Party's books and records are correct, that they may be relied upon as conclusive evidence of the Second Party's obligations arising herefrom, that it may not dispute their accuracy in any manner whatsoever and that it waives the right to demand that the First Party's books, accounts and records relating to the said obligations be audited by the Court, unless the Second Party proves otherwise.
- 8- The entire balance of the loan or the balance thereof shall become due and payable forthwith without the need to give notice or warning or to take any other legal action in any of the following events:
 - (1) Failure by the Second Party to pay any of the loan installments set forth in the contract in whole or in part on the due date thereof, or in the event where there is no sufficient credit balance in the Second Party's account to cover any amount that falls due for payment.
 - (2) The end of the Second Party's employment at the employer indicated in the contract for any reason whatsoever or change of employer or the discontinuation of the transfer of his salary or income to the account at the First Party for any reason whatsoever.
 - (3) Exchange by the Second Party of any part of his pension or his early retirement without obtaining the prior written consent of the First Party.
 - (4) The issue by a court judgment against the Second Party, the execution of a preservative or executive attachment against him or the taken of any other court measures against him, or his departing, permanently, from the State of Kuwait, or in the event of the existence of information that he intends to so depart from Kuwait or any other thing that may affect the security related to the loan.
 - (5) If it is found that any information, data or declaration presented or made by the Second Party for the purpose of obtaining this loan or that contained in the loan contract or appendix thereto is false or that he used the amount of the loan for any purpose other than that specified therefor.
 - (6) Any other cause that is provided for by the law for the earlier maturity of the debt.
 - (7) In general, if the Second Party fails to or is late in performing any of the obligations imposed upon him under the law or this contract. In any of the above-mentioned events of default, the entire debit balance of the loan and until full payment, a delay interest shall accrue at the highest interest rate determined by the Central Bank of Kuwait which is _____ % on the date hereof or at the highest rate that may be determined by the Central Bank of Kuwait in the future, whichever is higher. This interest shall also apply at the same rate after the closure of the account.
- 9- The Second Party shall pay all the expenses and fees prescribed under the regulations in force at the First Party and in accordance with the regulations thereof in the events of partial or total settlement of the loan or in the event where the First Party agrees to re-schedule the balance of the loan.
- 10- The Second Party agrees that the Bank may obtain the information registered in his civil card at any time from the Public Authority for Civil Information, without any liability on the part of the bank or the Authority. He also declares that he agrees and authorizes the bank and the Credit Information Network Company KSCC to exchange information about him with regard to consumer loans and credit facilities associated with installment sales among the banks and investment companies that are subject to supervision by the Central Bank of Kuwait as well as all commercial companies and establishments which grant credit facilities through the installment sale of commodities and services, and participation in the system of collection of data and information under the Law No. 2 of 2001, without any liability on the part of the First Party or the Credit Information Network Co.
- 11- The Second Party agrees absolutely and conclusively to observe the instructions of the Central Bank of Kuwait in connection with the closure of the all cheque accounts related to him and placing his name on the list of customers whose accounts were closed because of the return of three cheques drawn by him or by whoever is authorized by him to do so because of the law of a balance to cover them, during a period of one year. He further agrees in advance to any measures that the First Party may take in this regard. However the First Party may, at its absolute discretion, open another account, without cheques, for the Second Party, who accepts the same, in lieu of the account which has been closed, and debt the said account with the loan that was granted on the closed account.
- 12- The Second Party declares that all the properties and movable assets existing at his place of residence or at the address referred to in the contract belong to him and are owned by him personally and that any plea otherwise is false and may not be relied upon.
- 13- The Second Party declares that he has taken the address set forth in the contract as his chosen place of domicile in respect of all matters related to this contract and any disputes or law suits that may arise herefrom before all levels of litigation, and in respect of forced execution procedures. All correspondence, statements of account and legal and judicial notices sent to him by the First Party at the said address or by fax, registered mail or excellent mail shall be deemed valid and fully effective. Furthermore, the chosen place of domicile shall be the place legally designated for the service of official notices and for addressing all correspondence to him in connection with the contract and the performance hereof. No change in such place of domicile, post box or fax number shall have any effect save from the time the First Party receives notice of such change by means of a registered letter.
- 14- This appendix to the contract shall be subject to the Kuwaiti law and to the jurisdiction of the Kuwaiti courts. The two parties agree that the courts of the capital of the State of Kuwait shall have jurisdiction to hear any dispute that may arise herefrom.

First Party (Lender Creditor) National Bank of Kuwait S.A.K. (signature)	Second Party (Borrower Debtor) (signature)
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Signature(s) of the Guarantor(s)

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