



Standard Consumer Loan Conditions

1. PURPOSE OF THESE TERMS AND CONDITIONS

These terms and conditions (these Terms) set forth in detail the basis on which the Bank may from time to time provide financial accommodation to the Borrower under its Consumer Loan Facility Letters. These terms must be read in conjunction with any Consumer Loan Facility Letter from the Bank to the Borrower. In the event of any inconsistency between a Consumer Loan Facility Letter and these Terms, the provisions of the relevant Consumer Loan Facility Letter shall prevail.

2. DEFINITIONS AND INTERPRETATION

2.1 In these Terms:

Agreement means the agreement between the Borrower and the Bank evidenced by the Consumer Loan Facility Letters and these Terms.

Authorisation includes:

- a. any consent, authorisation, registration, filing, lodgement, agreement, notarisation, certificate, permission, licence, approval, authority or exemption from, by or with a Competent Authority; or
- b. in relation to anything which will be fully or partly prohibited or restricted by law if a Competent Authority intervenes or acts in any way within a specified period after lodgement, filing, registration or notification, the expiry of that period without intervention or action.

Available Commitment means, at any time, the Commitment less the Loan.

Borrower means, in respect of the Facility, each person who:

- a. is designated as such in the relevant Consumer Loan Facility Letter; and
- b. has signed the relevant Consumer Loan Facility Letter.

Business Day means a day on which banks in Muscat are open for business.

Consumer Loan Facility Letter means a letter from the Bank to the Borrower offering to provide a Facility to the Borrower and signed by the Borrower by way of acceptance of that offer.

Funding Account means the funding account which the Borrower has with the Bank, the details of which have been notified by the Bank to the Borrower.

Drawdown Date means a Business Day on which a Loan is or is to be made by the Bank to the Borrower.

Drawdown Notice means a notice under Clause 4.1.

Employment Benefit means any benefit, entitlement, allowance or compensation of any kind payable to or on behalf of the Borrower by any person in connection with the Borrower's employment, including any end of service benefit, termination payment, bonus, medical entitlement and insurance proceeds.

Event of Default means an event of default specified in Clause 11.1 and such other events as may be specified in a Consumer Loan Facility Letter.

Facility means a loan facility from time to time made or agreed to be made available by the Bank to the Borrower on terms that include these Terms.

Final Repayment Date means the last Business Day of the Term or such date determined by the Bank to confirm full repayment of the amount due and payable.

Finance Document means (a) the Agreement, (b) any Consumer Loan Facility Letter, (c) each Security Document, (d) any document or agreement entered into or provided under or in connection with or supplemental or ancillary to any of the foregoing, (e) any document or agreement entered into for the purpose of amending, varying, novating or restating any of the foregoing, and (f) any other document that the Bank deems to be a Finance Document.

Financial Indebtedness means any indebtedness, whether secured or unsecured, as principal, surety or otherwise, present or future, actual or contingent in respect of monies borrowed or raised or any financial accommodation whatever.

Guarantee means any guarantee, surety, indemnity, letter of credit or other legally binding obligation or irrevocable offer to be responsible for an obligation or indebtedness of another person.

Guarantor means any person designated as such in the relevant Consumer Loan Facility Letter and who has signed the relevant Guarantee.

Insurance Policy means the Life Insurance Policy which is referred to in the Consumer Loan Facility Letter.

Insurance Premium means any premium or other payment necessary for effecting or maintaining the Insurance Policies.

Insurance Proceeds means the proceeds paid or payable under any Insurance Policy.

Insurance Proceeds Assignment means any assignment in favour of the Bank of the Borrower's right, title and interest in such of the Insurance Proceeds payable in respect of the Insurance Policies effected and maintained by the Borrower as has been determined by the Bank, in form and substance acceptable to the Bank.

Interest Period means, in relation to a Loan, a period for the fixing of interest rates for the loan. The period begins on the Drawdown Date or Rollover Date of the Loan and has a duration selected or determined pursuant to the relevant Consumer Loan Facility Letter or these Terms.

Interest Rate means the Interest Rate identified in a Consumer Loan Facility Letter.

Loan means, as the case may be, the principal amount of an advance made or to be made by the Bank to the Borrower under the Facility or the aggregate principal amount of all such advances made by the Bank to the Borrower.

Loan Account means the loan account(s) which the Borrower has with the Bank, the details of which have been notified by the Bank to the Borrower.

Material Adverse Effect means, in the Bank's sole opinion, any material adverse effect on (a) the ability of any Borrower or any Guarantor to perform its obligations under a Finance Document, (b) the security held by the Bank, or (c) the financial condition or business of any Borrower or any Guarantor.

Potential Event of Default means anything which with the giving of notice or the passage of time or the making of any determination or the satisfaction of any other condition (or any combination thereof) might or would become an Event of Default.

Repayment Instalment has the meaning given to that term in Clause 6.2.

Rollover Date means, in respect of a Facility, the last day of an Interest Period of a Loan.

Salary Assignment Letter means the letter from the Borrower's employer to the Bank confirming that the Borrower's salary shall be paid into the Borrower's Funding Account.

Secured Monies means all monies (whether principal, interest, fee, commission or otherwise) which the Borrower (whether alone or with another person and whether as principal or surety) is or at any time may become actually or contingently liable to pay to or for the account of the Bank for any reason whatever under or in connection with the Agreement and any other Finance Document.

Security Documents means (a) the Guarantee (if any), (b) the Salary Assignment Letter, (c) all Insurance Proceeds Assignments (if any) and (d) any other document which the Bank deems to be a Security Document.

Security Interest means any mortgage, pledge, lien, hypothecation or charge or any security or preferential interest or arrangement of any kind having substantially the same effect or any other right of, or arrangement with, any creditor to have its claims satisfied in priority to other creditors.

Terms has the meaning given to that Term in Clause 1.

The following terms shall, when used in these Terms, have the same meaning as that identified or construed in the Consumer Loan Facility Letters, (a) Bank, (b) Cancellation Fee, (c) Commitment, (d) Default Rate, (e) Set Up Fee, (f) Interest Payment Dates, (g) Prepayment Fee, (h) Principal Instalments and (i) Term.

2.2 The following rules apply unless the context requires otherwise:

- a. headings are used for convenience only and do not affect interpretation;
- b. the singular includes the plural and vice versa;
- c. a reference to a gender includes both genders;
- d. where a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- e. the words «include» and «including» shall be construed without limitation;
- f. a reference to a person, corporation, trust, partnership, unincorporated body or other entity includes any of the foregoing;
- g. a reference to a party to the Agreement or any other agreement or document includes the party's successors and permitted substitutes, personal representatives, or assignees;

h. a reference to any agreement or document includes a reference to that agreement or document as varied, amended, novated, supplemented, restated or replaced from time to time, except to the extent prohibited by the Agreement;

i. a reference to any law or to a provision of any law includes any modification or re-passing of such law, a law substituted for it and any regulation, directive, order, decree or similar such thing issued under it.

2.3 Where there is a Guarantor, all of the obligations of the Borrower and covenants, undertakings, representations and warranties, terms and conditions contained in the Agreement shall be binding on the Borrower and the Guarantor (if any) jointly and severally. Accordingly, a reference to a Borrower shall be construed as a reference to each Borrower and any Guarantor, jointly and severally.

3 TERMINATION PRIOR TO FUNDING

The Bank has full discretion, by notice in writing to the Borrower, to terminate the Agreement before drawdown of a Loan or to delay drawdown of a Loan in the sole discretion of the Bank and without any explanation to the Borrower and may demand repayment of the Loan at any time for any reason without any explanation to the Borrower.

4 LOAN DISBURSEMENTS AND ROLLOVERS

If the Borrower wishes to make a drawing under a Facility or to continue a Loan under a Facility otherwise than on the terms on which Loans will automatically extend under Clause 4.5, then the Borrower shall give to the Bank an irrevocable drawdown notice in the form from time to time approved by the Bank.

4.1 The obligations of the Bank under the Agreement are subject to the Bank having confirmed to the Borrower that it has received all of the documents and other evidence listed as Conditions Precedent in the Consumer Loan Facility Letter, the same to be in form and substance satisfactory to it.

4.2 The obligation of the Bank to make available or continue a Loan is subject to the further condition precedent that:

- a. the making of the Loan does not exceed the Available Commitment;**
- b. the representations and warranties made by any of the Borrower and the Guarantor in any Finance Document are true as at the date of the relevant Drawdown Notice (if any), the relevant Drawdown Date and the relevant Rollover Date, in each case as if they had been made at such date by reference to the facts and circumstances then subsisting;**
- c. no Event of Default or Potential Event of Default shall be subsisting as at the date of the relevant Drawdown Notice (if any), the relevant Drawdown Date or the relevant Rollover Date or will result from the provision or continuation of the Loan;**
- d. no Material Adverse Effect exists as at the date of the relevant Drawdown Notice (if any), the relevant Drawdown Date or the relevant Rollover Date or will result from the provision or continuation of the Loan; and**
- e. all Authorisations for the provision or continuation of that Loan have been obtained.**

4.3 The Bank may disburse the Loan in accordance with any policies it may have in respect thereof and notwithstanding the instructions of the Borrower the Bank has complete discretion to disburse the Loan to any related party.

4.4 The Bank shall be permitted to apply the Loan or any part thereof to satisfy any liabilities which the Borrower may have owing to the Bank. Such application will take priority over any contrary instructions of the Borrower to apply such money to the payment of a third party. The Bank may execute such payment in any manner which it chooses, including debiting the Loan Account for such amount.

4.5 Subject to the other provisions of the Agreement, on each Rollover Date for a Loan, the Loan shall be automatically continued for a period equivalent to the next applicable Interest Period.

5 INTEREST

5.1 Interest shall:

- a. accrue on a daily basis on the outstanding amount of the Loan (as evidenced by the Bank's records);
- b. be calculated by reference to the Interest Rate; and
- c. be calculated on the actual number of days elapsed and a 365 day year calculated.

5.2 Where the Interest Rate is a variable interest rate, such Interest Rate may be varied by the Bank at any time. The Bank shall give notice to the Borrower of any such variation, provided, however, that failure to provide such notice shall not affect the Borrower's obligation to pay interest under Clause 5.1 at the Bank's varied rate. Such notice may take the form of correspondence to the Borrower, an announcement in a local newspaper or a notice posted at the Bank's premises.

5.3 Interest shall be payable on each Interest Payment Date. If the Interest Payment Date is changed then notice of the new Interest Payment Date shall be given to the Borrower, provided, however, that failure to provide such notice shall not affect the Borrower's obligation to pay interest under Clause 5.1.

6 REPAYMENT

6.1 The Borrower shall:

- a. repay the Loan through making Principal Instalments on each Interest Payment Date;
- b. pay interest on the Loan on each Interest Payment Date in accordance with Clause 5.3 on each Interest Payment Date; and
- c. repay in full the Loan and any other amounts owing to the Bank pursuant to the terms of the Agreement by the Final Repayment Date.

6.2 The Bank will notify the Borrower from time to time of the total amount of the payments payable by the Borrower on an Interest Payment Date in accordance with Clause 6.1 (a Repayment Instalment), provided, however, that failure to give such notice shall not affect the Borrower's obligations to make such payments.

6.3 Notwithstanding any other provision of the Agreement, the Bank may, without further consent from the Borrower, vary the amount of any Repayment Instalment:

- a. to reflect a variation in the Interest Rate;
- b. to take into account any additional sums that may become due to the Bank pursuant to the terms of the Agreement; or
- c. to ensure that the Loan and any other amounts owing to the Bank pursuant to the terms of the Agreement are repaid in full by the Final Repayment Date.

The Bank shall notify the Borrower of any variation in any Repayment Instalment, provided, however, that failure to give such notice shall not affect the obligation of the Borrower to pay the varied Repayment Instalment.

6.4 The number of Repayment Instalments and their respective values shall not prejudice the right of the Bank to receive any additional Repayment Instalments or other monies due and owing to it if the final settlement of the Loan Account reveals that there are payments due and outstanding in favour of the Bank. The Borrower shall pay all such amounts to the Bank upon demand.

6.5 Subject to paragraph 6.6, each Repayment Instalment shall be applied:

- a. first, towards interest and default interest due but unpaid as at the relevant payment date;
- b. second, towards the interest payable of the relevant payment date; and
- c. third, towards the principal payable on the relevant payment date,

or in such other manner as the Bank sees fit.

6.6 If at any time the Bank receives less than the full amount then due and payable under the Agreement, the Bank may allocate and apply the amount received in any manner and for such purposes as the Bank solely determines notwithstanding any instruction of the Borrower to the contrary.

7 PREPAYMENT

7.1 Subject to Clause 7.2, the Borrower may with the Bank's prior consent and on giving to the Bank fourteen (14) days irrevocable written notice prepay the whole or any amount of the Loan, together with the Prepayment Fee. The Borrower may not prepay all or any part of the Loan except in accordance with the Agreement.

7.2 The Borrower may not prepay all of the Loan unless the Borrower first prepays in full all other amounts owing by the Borrower to the Bank under any other Facility.

7.3 Prepayments under Clause 7.1 may only be made on the last day of the Interest Period of the relevant Loan.

7.4 The Borrower shall ensure that any Insurance Proceeds payable in respect of the Insurance Policies effected and maintained by the Borrower are applied towards repayment of the Secured Monies.

7.5 The Borrower agrees that the Bank may apply any Insurance Proceeds payable in respect of the Insurance Policies effected and maintained by the Bank in its sole discretion, towards repayment of the Secured Monies. Any such application by the Bank shall be deemed a prepayment made by the Borrower on the date of the application of such proceeds by the Bank towards the repayment of the Secured Monies.

7.6 The Borrower shall ensure that any Employment Benefits are applied towards the repayment of the Secured Monies.

7.7 The Bank shall notify the Borrower promptly if it becomes aware that it is unlawful for the Bank to perform any of its obligations under a Finance Document or to fund or maintain any Loan. After such notification, the Borrower must prepay the Loan on the last day of the Interest Period for the Loan, or if earlier, the date specified by the Bank in its notice to the Borrower, which date must not be earlier than the last day of any applicable grace period allowed by law.

7.8 At the time of any prepayment made under Clause 7 (including any deemed prepayment under Clause 7.5), the Borrower shall pay any interest accrued on any amount prepaid under the Agreement.

7.9 Any amounts prepaid in accordance with the terms hereof shall not be available for re-borrowing.

7.10 Prepayments under this Clause 7 shall be applied against repayment instalments in inverse order of maturity.

8 FEES

8.1 The Set Up Fee shall be payable on the date identified in the relevant Consumer Loan Facility Letter. Any Set Up Fee is non-refundable.

8.2 If after entering into the Agreement the Borrower does not, without the Bank's prior written consent, utilise the Loan by the date being three (3) calendar months from the date of the Agreement, then the Bank may cancel the Facility and the Bank shall have no further obligation to make a Loan.

9 UNDERTAKINGS

The Borrower makes the undertakings and agreements set out in Schedule 1 to these Terms.

10 REPRESENTATIONS

10.1 The Borrower represents and warrants that:

- a. except as expressly set out in the Finance Documents or in writing duly signed by or on behalf of the Bank:
 - i. it has not entered into the Agreement in reliance on, or as a result of, any statement or conduct of any kind of or on behalf of the Bank or any affiliate of the Bank (including any advice, warranty, representation or undertaking); and
 - ii. neither the Bank nor any affiliate of the Bank is obliged to do anything (including, without limitation, disclose anything or give advice);
- b. each Finance Document to which the Borrower is expressed to be a party is its valid and binding obligation enforceable in accordance with its terms, subject to any necessary stamping and registration;
- c. the execution, delivery and performance by the Borrower of the Finance Documents to which it is expressed to be a party and each transaction contemplated under those documents do not and will not violate in any respect a provision of:
 - i. a law or treaty or a judgment, ruling, order or decree of a Competent Authority binding on it; or
 - ii. any other document or agreement which is binding on it or its assets;

d. as at the date of the Agreement, the Borrower is solvent and has not ceased to make payment of any of its debts for the purposes of Article 609 of Royal Decree 55/90;

e. the Borrower is not in breach of or in default under a document or agreement, including any Authorisation, binding on it or its assets which relates to Financial Indebtedness;

f. nothing has occurred which constitutes (nor will the execution or performance by the Borrower or any Guarantor of the Finance Documents to which it is a party) constitute an Event of Default, Potential Event of Default, cancellation event, prepayment event or similar event (whatever called) under those documents or agreements, whether immediately or after notice or lapse of time or both;

g. all information provided by it to the Bank is true in all material respects at the date of the Agreement or, if later, when provided. Neither that information nor its conduct and the conduct of anyone on its behalf in relation to the transactions contemplated by the Finance Documents, was or is misleading, by omission or otherwise;

h. each Authorisation which is required in relation to:

i. the execution, delivery and performance by the Borrower of the Finance Documents to which it is expressed to be party and the transactions contemplated by those documents;

ii. the validity and enforceability of those documents; and

iii. its business as now conducted or contemplated and which is material, has been obtained or effected. Each is in full force and effect and the Borrower has complied with each of them and has paid all applicable fees for each of them;

i. no litigation, arbitration or administrative proceeding (including a dispute with any Competent Authority) is current or pending or threatened against the Borrower or any of its assets or undertaking:

i. to restrain the entry into, exercise of its rights under and/or performance or enforcement of or compliance with its obligations under the Finance Documents;

ii. which has or could have a Material Adverse Effect on it;

j. where the Borrower is not an Omani citizen, he has obtained his residency visa for the Sultanate of Oman under Article 8 of Royal Decree 12 of 2006; and

k. where the Borrower is not an Omani citizen he has no reason to believe that his residency visa for the Sultanate of Oman will be revoked during the Term.

10.2 The Borrower acknowledges that the Bank has entered into the Finance Documents in reliance on the representations and warranties made by the Borrower in this Clause 10.

10.3 The representations and warranties shall be deemed repeated on each Drawdown Date and each Rollover Date, by reference to the then subsisting facts and circumstances.

11 EVENTS OF DEFAULT

11.1 Each of the events set out below is an Event of Default:

- a. the Borrower or the Guarantor fails to pay an amount payable by it under a Finance Document when due;
- b. the Borrower or the Guarantor fails to comply with any of its non-payment obligations under a Finance Document and, if in the opinion of the Bank that failure can be remedied within 14 days (or such shorter time as may be specified in a Finance Document), that failure is not remedied to the Bank's satisfaction within that period;
- c. the Borrower or the Guarantor fails to satisfy within the time stipulated anything which the Bank has made a condition of its waiving compliance with a condition precedent or any term of the Agreement;
- d. a representation, warranty or statement by or on behalf of the Borrower or the Guarantor in a Finance Document or a document provided under or in connection with a Finance Document, is not complied with or is not true in a material respect or is misleading when made or deemed repeated;
- e. the Borrower or the Guarantor dies or ceases to be of full legal capacity or commits or omits to do an act under circumstances which may give rise to bankruptcy proceedings being instituted against it;

- f. Financial indebtedness of the Borrower or the Guarantor:
- i. is not paid when due (or within an applicable grace period);
 - ii. becomes due and payable or is declared to be or is capable of being declared due and payable before its stated maturity or expiry; or
 - iii. an Event of Default, Potential Event of Default, cancellation event, prepayment event or similar event (whatever called) under any facility relating to the Financial Indebtedness of the Borrower or the Guarantor or under another Finance Document occurs;
- g. an application or an order is made, proceedings are commenced, a resolution is passed or proposed in a notice of meeting or an application to a court or other steps are taken for:
- i. the bankruptcy, winding up, dissolution, judicial management or administration of the Borrower or any Guarantor; or
 - ii. the Borrower or the Guarantor entering into an arrangement, compromise or composition with or assignment for the benefit of its creditors or a class of them;
- h. the Borrower or the Guarantor is, or under applicable legislation is taken to be, insolvent or unable to pay its debts (other than as the result of a failure to pay a debt or claim the subject of a good faith dispute in appropriate proceedings) or stops or suspends or threatens to stop or suspend payment of all or a material part of or a class of its debts;
- i. a receiver, receiver and manager, administrative receiver, liquidator, judicial manager or similar officer is appointed to, a Security Interest becomes enforceable or is enforced over, or a distress, attachment, execution or other legal process is levied, enforced or sued out on, against or over, all or any of the assets of the Borrower or the Guarantor and is not discharged or stayed within 7 days;
- j. anything analogous to anything referred to in paragraphs g through i, or having substantially similar effect, occurs with respect to the Borrower or the Guarantor;
- k. all or any part of a Finance Document is terminated or is or becomes void, illegal, invalid, unenforceable or of limited force and effect;

- l. a party becomes entitled to terminate, rescind or avoid all or part of a Finance Document;
- m. a party other than the Bank alleges or claims that an event described in paragraph K has occurred or that it is entitled as described in paragraph I;
- n. if in the opinion of the Bank any Security Interest of the Bank is in jeopardy;
- o. if an event occurs or circumstances arise which gives the Bank reasonable grounds for believing that the Borrower and/or any Guarantor may be unable to perform or comply with any one or more of the Borrower's and/or the Guarantor's obligations under the Agreement or any Finance Documents;
- p. there occurs any change in law or circumstances occur which the Bank considers affects the Agreement and the Bank and the Borrower cannot agree to the changes required by the Bank to the Agreement to cover such change in law or circumstances;
- q. a law or anything done by a Competent Authority which wholly or partially to a material extent renders illegal, prevents or restricts the performance or effectiveness of a Finance Document or otherwise has a Material Adverse Effect;
- r. any other event or series of events, whether related or not, occurs or circumstances arise (including a material adverse change in the business, assets or financial condition of the Borrower or any Guarantor), which in the opinion of the Bank may have a Material Adverse Effect;
- s. where any Borrower is not an Omani citizen, such person ceases to reside in Oman or is compelled by law to leave the Sultanate of Oman; and
- t. where any person is not an Omani citizen, such person's residency visa for the Sultanate of Oman is revoked, adversely amended or made invalid.

11.2 If at any time any Event of Default has occurred, then at any time thereafter, whilst such Event of Default is continuing, the Bank may, by written notice to the Borrower do one or more of the following at any time or times and in any order:

- a. restrict the amount of or refuse to make available any Loan;
- b. declare any or all of the Loan and all Secured Monies and any other sum then payable under the Agreement to be due and payable on demand or on such date as the Bank may specify by notice to the Borrower, whereupon all such monies shall become so due and payable on demand or on such date (as the case may be); and
- c. enforce any or all of its rights under the Agreement and/or any other Finance Document or under applicable law, including enforcement in accordance with the laws of the Sultanate of Oman.

12 DEFAULT INTEREST

12.1 If the Borrower fails to pay in full any amount payable under the Agreement when due or when otherwise demanded by the Bank, the Borrower shall pay interest on the amount from time to time outstanding in respect of that sum for the period beginning on its due date and ending on the date of its receipt by the Bank (both before and after judgment) in accordance with this Clause 12. The rate of interest applicable to such overdue amount shall be the Default Rate.

12.2 Unpaid interest shall be compounded monthly and shall itself bear interest in accordance with the manner prescribed under Clause 12.1.

13 CONSENTS

Where the Bank's consent or approval is, under the terms of the Agreement, required to be obtained in relation to any act, matter or thing, the Bank may at its discretion grant or refuse its approval or consent or make its approval or consent conditional upon the satisfaction of such conditions as the Bank may deem appropriate, and the Borrower shall satisfy or procure the satisfaction of all such conditions.

14 FUNDING ACCOUNTS

14.1 The Borrower hereby authorises the Bank to debit the Repayment Instalments, the Insurance Premiums and any other Secured Monies due from the Borrower to the Bank to the Funding Account until the Secured Monies have been unconditionally and irrevocably paid in full. The Borrower undertakes to ensure that the credit balance on the Funding Account will be sufficient to meet such Repayment Instalments, Insurance Premiums and other payments falling due from the Borrower to the Bank under any Finance Document as such sums fall due for payment.

14.2 Any interest, commission, charges, costs or expenses duly incurred in respect of the Loan, the Insurance Policy or any other Facility extended to the Borrower or any transaction of any kind carried out at the Borrower's order or on the Borrower's behalf, whether or not by written order, shall become part of the Secured Monies and may be debited to any of the Borrower's accounts with the Bank.

14.3 All and any items credited by the Bank to any of the Borrower's accounts, including items drawn payable at the Bank, are subject to clearance through the normal channels and until such items are cleared the Bank shall be entitled to exclude the value of such items so credited for the purposes of (a) determining whether the balance of such account is sufficient to meet any payment falling due from the Borrower to the Bank under any Finance Document, and (b) calculating interest on the Loan.

15 JOINT AND SEVERAL LIABILITY OF BORROWER AND ANY GUARANTOR

15.1 If more than one Borrower is a party to the Agreement;

- a. the liability of each such person hereunder shall be joint and several and every agreement and undertaking herein shall be construed accordingly; and
- b. any statement or notice from the Bank to the Borrower shall be addressed to any one or more of such persons and shall be sent to a single address nominated by such persons.

15.2 Although as between themselves the Guarantor and the Borrower and any other person or party liable to the Bank jointly with any Guarantor and the Borrower or either of them one party or parties may be surety for the other party or parties yet as between them and each of them and the Bank they and each of them shall be principal debtor or debtors jointly and severally liable to the Bank and the Security Interest of the Bank shall not in any event whatever be released by time being given or extended or by indulgence being granted to or compromise, composition or other arrangement being made with any other person or party liable to the Bank or in any manner whatsoever.

16 STATEMENTS

16.1 The Bank shall send to the Borrower a statement of the Loan Account on an annual basis.

16.2 The Borrower undertakes to check carefully all statements of account received from the Bank. If within one month of the date of despatch of such a statement of account to the Borrower's address, as it appears in the records of the Bank, no objection has been received from the Borrower, then the balance shown therein will be considered correct and the fact that no communication has been received from the Borrower will be interpreted as a confirmation of the correctness of such statement of account and the Borrower may not raise any objection in respect of such statement of account.

16.3 The Borrower acknowledges that should the Borrower not receive such statement of account for any period it is solely and entirely the responsibility of the Borrower to demand such a statement of account from the Bank and notify the non-receipt to the Bank in writing. In the absence of such notification it will be deemed that the Borrower is in receipt of the statement.

16.4 The Borrower hereby acknowledges and concedes that a statement or a certificate duly signed on behalf of the Bank shall be conclusive and binding evidence on and against the Borrower of all and any amounts due to the Bank according to its books and accounts and which the Borrower is bound to pay hereunder and the Borrower specifically waives any right to challenge the correctness of any such books and accounts except as set out in Clause 16.2.

17 GROSS-UP, SET-OFF AND CONSOLIDATION

17.1 Payments by the Borrower shall be made to the Bank without any set-off, counter-claim, withholding or condition of any kind except that if the Borrower is compelled by law to make such withholding, the sum payable by the Borrower shall be increased so that the amount actually received by the Bank is the amount it would have received if there had been no withholding.

17.2 In addition to and without any prejudice to any right of set-off to which the bank may be or become entitled by law, and in accordance with Article 346 of Royal Decree 55/90, the Bank and the Borrower expressly agree that all accounts of the Borrower with the Bank, including all accounts with any other office or branch of the Bank shall constitute a single combined account and that the Bank shall have a right of set-off as between all debit and credit balances on all such accounts and that the benefit of all any security provided by the Borrower in respect of this single combined account or any part thereof shall be available to and enforceable by the Bank to secure the entire outstanding balance due to the Bank at any time on such single combined account and any part thereof.

18 CURRENCY CONVERSION

The Bank may convert any money received in connection with the Agreement and/or any other Finance Document from the currency in which it is received into any other currency that the Bank requires for the purpose of, or pending, the discharge of the Secured Monies. Any such conversion will be effected at the Bank's then prevailing spot selling rate of exchange.

19 RECOVERY AND BANKRUPTCY

If any payment made to the Bank under the Agreement or under the terms of any security provided to the Bank is subsequently repaid by or recovered from the Bank pursuant to Article 610 of Royal Decree 55/90 or otherwise (for which purpose a statement of account under Clause 16 shall be binding and conclusive on the Borrower), such repaid or recovered amount shall not reduce or extinguish any liability of the Borrower hereunder and no release given to the Borrower by the Bank in reliance in whole or in part upon such repaid or recovered payment shall constitute a waiver of or in any way prejudice the Bank's rights against the Borrower hereunder and the amount of such repaid or recovered payment together with all or any interest paid thereon by the Bank pursuant to Article 610 of Royal Decree 55/90 shall be a liability of the Borrower to the Bank hereunder.

20 COSTS AND EXPENSES

On demand the Borrower shall pay or reimburse the Bank for all costs and expenses of the Bank in relation to:

- a. the preparation, execution and completion of the Finance Documents and any subsequent consent, approval, waiver, supplement or amendment;
- b. the actual or contemplated enforcement of any of the Finance Documents, or actual or contemplated exercise, preservation or consideration of any rights, powers or remedies under the Finance Documents, administrative costs including any time of its executives (whose time and costs are to be charged at reasonable rates); and
- c. retaining consultants (including valuers) to evaluate matters of material concern to the Bank, whether in relation to the circumstances contemplated by a or b above or otherwise,

and including in each case legal costs and expenses (including in-house lawyers charged at their usual rates) on a full indemnity basis and all goods and services, value added and other duties or taxes payable on such costs and expenses.

21 INDEMNITIES

21.1 On demand, the Borrower shall indemnify the Bank against any loss, cost, charge, liability or expense the Bank (or any officer or employee of the Bank) may sustain or incur as a direct or indirect consequence of:

- a. the occurrence or continuance of any Event of Default or Potential Event of Default;
- b. any exercise or attempted exercise of any right, power or remedy under any Finance Document or any failure to exercise any right, power or remedy;
- c. a Loan from time to time agreed to be provided by the Bank not being provided for any reason (including, without limitation, failure to fulfil any condition precedent but excluding any default by the Bank); or
- d. the Bank receiving payments of principal in respect any Loan before the last day of an Interest Period relating to the Loan for any reason, including, without limitation, prepayment in accordance with the Agreement.

21.2 The indemnities under this Clause 21 will cover any amount determined by the Bank to be incurred by reason of the liquidation or re-employment of deposits or other funds acquired or contracted for by the Bank to fund or maintain any Loan or amount (including loss of margin) and by reason of the reversing or termination of any agreement or arrangement entered into by the Bank to hedge, fix or limit its effective cost of funding or maintaining any Loan or amount.

22 NO WAIVER

No omission or delay on the part of the Bank in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof or of any other right, power or privilege.

23 NOTICES

23.1 All notices, requests, demands, consents, approvals, agreements or other communications to or by a party to the Agreement:

- a. must be in writing and be signed by the Borrower(s) or the Guarantor as appropriate; and
- b. subject to Clause 28.2, will be deemed to be duly given or made:
 - i. (if sent by post) 24 hours after despatch; or
 - ii. (if delivered personally or despatched by telex or facsimile subject to receiving the correct telex answerback or facsimile answerback) at the time of delivery or despatch if received by 1 pm (local time) in the place of intended receipt on a Business Day in that place and otherwise on the next Business Day in that place.

23.2 Notwithstanding anything to the contrary in Clause 26.1, notices, requests, demands, consents, approvals, agreements or other communications to be made or delivered to the Bank shall be effective only on actual receipt by the Bank.

24 THIRD PARTY PROCESSING AND SHARING OF INFORMATION

24.1 The Borrower irrevocably agrees that the Bank may at its discretion and for any purpose, share any information, details or data relating to the Borrower or the Borrower's transactions with any member or associate member of the Bank or law enforcement agencies and regulatory authorities, the competent courts, the Royal Oman Police, or any auditors authorised by the courts or any competent authority or legal consultant of the Bank or its lawyers.

24.2 The Borrower irrevocably authorises the Bank to contact the Borrower's employer to notify the employer of the details of the Borrower's facility with the Bank and to request that all sums owing to the Borrower (by the employer) be paid directly to the Borrower's account with the Bank. The Borrower further irrevocably authorises the Bank to request and receive notice from the employer of any termination of the Borrower's employment.

25 VARIATION OF AGREEMENT

25.1 The Bank may, at its discretion, amend or vary any of the terms or conditions of the Agreement for the purpose of providing enhanced or additional services to the Borrower from time to time.

25.2 The Bank may also amend or vary the terms and conditions of the Agreement in order to reflect:

- a. any change or proposed change in the Oman lending market;
- b. any change or proposed change in the lending practices of the Bank and/or other banks and financial institutions offering similar services provided by the Bank under the Agreement (including the terms on which they offer such services);
- c. any change or proposed change in the law;
- d. any recommendation, requirement or decision made or to be made by any court, ombudsman, regulator or similar body having jurisdiction over the Bank, the Borrower or any other Guarantor;
- e. any change or proposed change in the way the Bank manages its accounts, including changes in technology used by the Bank or its contractors;
- f. any reorganisation or proposed reorganisation of the Bank and/or its business, including any reorganisation consequent upon the Bank acquiring or being acquired by another bank or organisation (so that customers for similar categories of agreements can be treated in a similar way); and/or
- g. any event beyond the Bank's control.

25.3 Any amendment or variation made pursuant to this Clause 28 shall be notified by the Bank to the Borrower and shall take effect from the date of such notice.

26 ASSIGNMENT

26.1 The Borrower may not, and shall procure that any other Guarantor shall not, transfer or assign any of its rights, benefits, obligations and liabilities under any Finance Document to which it is a party.

26.2 The Bank may at any time and with notice to the Borrower assign or transfer all or any of its rights, benefits, obligations and liabilities under any Finance Document to which it is a party to any third party the Bank reasonably considers appropriate.

27 SEVERABILITY

27.1 Each of the clauses and provisions of the Agreement are severable and the invalidity or unenforceability of any one or more such clauses or provisions shall not alter the remaining such clauses and provisions which shall remain in full force and effect.

27.2 If a term or provision of the Agreement becomes illegal, invalid, enforceable or ineffective in respect of one or more Borrowers in circumstances where there exists more than one Borrower, that term or provision shall, to the extent permissible by law, continue to be valid and enforceable against the other Borrower(s).

28 DISCHARGE

the Agreement shall remain in effect until the Bank confirms in writing to the Borrower that:

- a. all Secured Monies due and owing to the Bank hereunder have been unconditionally and irrevocably paid in full; and
- b. all other obligations and liabilities of any Guarantor to the Bank hereunder have been unconditionally and irrevocably discharged in full.

29 GOVERNING LAW AND JURISDICTION

the Agreement shall be governed by the laws of the Sultanate of Oman and the Borrower hereby irrevocably submits to the jurisdiction of the courts of Oman or any successive body thereto without prejudice to the right of the Bank, at its option, to take proceedings in the courts of any other country or jurisdiction.

SCHEDULE 1

BORROWER UNDERTAKINGS

29.1 The Borrower shall notify the Bank immediately:

- a. of any change in the information or financial details supplied by the Borrower or any Guarantor to the Bank in support of the application for the Loan;
- b. of any change in the Borrower's financial position or any other change, that may affect the Borrower's ability to repay the Loan, including any change in the Borrower's conditions of employment.

29.2 The Borrower shall make available to the Bank for inspection by the Bank at any time any documents and information which the Bank in its sole discretion consider necessary for the purpose of monitoring the Borrower's financial position and its application of the Loan or any part thereof and shall provide to the Bank such copies or extracts from such commercial books and other documents as the Bank may at any time require.

29.3 The Borrower shall ensure that (a) his full monthly income and (b) any Employment Benefit are paid into the Funding Account.

29.4 The Borrower shall:

- a. ensure that there shall be no alteration made to the Salary Assignment Letter; and
- b. not do anything that would interfere with the instructions set out in the Salary Assignment Letter, in each case without the prior written consent of the Bank.

29.5 The Borrower shall:

- a. at all times comply with all laws applicable to it or any of its assets and undertaking;
- b. unless the Bank otherwise consents, maintain throughout the term of the Agreement the Funding Account with the Bank;
- c. ensure that any Guarantor complies with its obligations under the Guarantee and/or any other Finance Document that it is a party to.

29.6 The Borrower agrees that the Bank may take out the Life Insurance which it deems necessary for the protection of its interests under the Facility.

29.7 The Borrower shall:

- a. on demand reimburse the Bank for any Insurance Premium in relation to any Life Insurance procured by the Bank;
- b. not do anything that adversely affects any Life Insurance or which may increase any Insurance Premium;
- c. except as expressly provided for to the contrary in the Agreement, ensure that all Insurance Proceeds in relation to the Insurance Policies procured by the Borrower payable at any time are paid to, or held on trust for, the Bank; and
- d. promptly inform the Bank of any insurance claim in relation to any Insurance Policy procured by the Borrower.

29.8 Where the Borrower is not an Omani the Borrower undertakes to the Bank to:

- a. reside in the Sultanate of Oman for so long as any Loan or any other Secured Monies remains outstanding;
- b. notify the Bank if the Borrower intends to permanently leave or is compelled by law to leave the Sultanate of Oman; and
- c. immediately notify the Bank if the Borrower's residency visa for the Sultanate of Oman is revoked, adversely amended or made conditional in any way.