



Contract for Granting Credit Facilities in a General Debtor Current Account

Customer Name :

Account No. :

Branch :

OMAN ARAB BANK S.A.O.C

A Contract for Granting Credit Facilities in a General Debtor Current Account.

Between

The Oman Arab Bank (S.A.O.C)Branch

(hereinafter referred to as the "Bank")

And

The Client

(hereinafter referred to as the "Client")

And

The Guarantor.....

(hereinafter referred to as the "Guarantors")

The parties signing the contract have agreed to the following:

1. Facilities Granted

Recorded under General Debtor Current Account Number

Facility	Limit Authorized (in Rial Omani)		Interest	Margin	Commission
	Numbers	Words			
Overdraft					
Overdraft against Trust Receipts					
Bills Discounting					

Acceptance					
Letters of Credit					
Guarantees					

2. Outstanding Liability

The client admits that present direct and contingent liabilities to the Bank are as follows and that such liabilities fall within the scope of this contract: -

Direct and Contingent Liabilities Outstanding	Balance Outstanding as at
Overdraft	
Overdraft against Trust Receipts	
Bills Discounting	
Acceptance	
Layers of Credit	
Guarantees	

3. Interest

a) The Bank may charge the aforesaid percentage of interest and according to the Banking Law of Oman which shall be due on the daily debit balance of the client's account, and shall be debited monthly. The bank may increase or decrease the interest rate by sending a written notice effective from the date of sending the notice or the date specified by the Bank. Such interest shall always be considered as part and within the scope of this debt.

b) It is agreed that any sum paid by the client shall be appropriated to settle the interest due in the first place and the balance of these sums shall be for settlement of the original debt.

4. The Period and Scope of the Contract

The entire facilities granted shall be repaid by the client on demand by the bank and shall be renewable at the written discretion of the Bank and shall apply to any renewals, reschedule, amendments or extensions of or increase in the credit facilities granted herein to the client besides the general conditions governing all accounts. This agreement shall be in force until the Bank confirms in writing that all liabilities and payment due from the clients and/or guarantor to the Bank hereunder have been settled in full, and until the Bank has no claim against the client and / or guarantor.

5. Statements

a) The Bank shall send monthly statements of the client. If within one month of date of the Bank's dispatch of a statement, no written objection is received from the client, the statement will be considered correct and irrevocable. The client undertakes to keep the guarantor(s) fully informed of the conduct of the account balance from time to time and any other information required by the guarantor(s). Sending the statement to the client shall be deemed to be sent to the guarantor(s) as well.

b) The client acknowledges that the Bank is not responsible should he not receive a statement of account for any month and that he is solely and entirely responsible to demand such statement for the Bank by a written request, the receipt of which must be acknowledged by the Bank's Manager or his deputy.

6. Termination by the Bank

a) The Bank may at any time at its absolute discretion and without giving reasons terminate this contract and / or stop the account and / or demand from the client and / or the guarantor the settlement of all amounts owed by them at the time fixed in the notice of the Bank. The client and / or guarantor freely authorize the Bank to assign its rights and obligations partly or totally to whomever it wishes at any time. The client and / or guarantor(s) undertake not to assign their rights and obligations.

b) The Bank is hereby irrevocably authorized by the client / guarantor to debit any amount for client / guarantor(s) accounts to cover all expense due to the bank from the client for not meeting the undertakings and liabilities arising from this contract such as court and lawyers' fees, experts fees and fees for publishing, Notifications, valuation, legal notice, compensation, insurance variation of exchange at discount of drafts and in general any fees and expenses that shall be needed for such purposes, suits and expenses whatsoever which the Bank may incur, suffer, sustain

or be put to which should be considered as part of this contract and the granted facilities as one unit without any need to achieve any judgement.

c) Should the client not settle any part of his due liabilities at the time fixed by the Bank, he shall be liable to pay the Bank a default interest at the rate of% per annum or such other rate decided by the Bank at any time until full and final settlement. Such interest to be capitalized monthly, and to accrue from the date of the Bank's demand and not withstanding any deposit or amounts of any kind (whether it was before or following the bank demand of settling the full debt) otherwise made with the Bank by or on behalf of the client.

d) The Bank reserves the right to refuse any drawing or request for utilization of facilities if such drawing or request will cause agreed facility limits (in item No.1) to be exceeded. The Bank may however at his sole discretion permit agreed limits to be exceeded without prejudicing the client's and guarantor(s) liability for settlement. Such excess shall be subject to the terms and conditions of this contract.

7. Security, Authorization and Lien

a) In addition to, and without prejudice to any right of set-off which the Bank may be legally entitled and in accordance with article 364 of Commercial Law No. 55/90 and its amendments thereto. The Bank and the client expressly agree that all client accounts whether open, or shall be open in any kind including all accounts with any of the Bank branches in currency, shall constitute a single, combined account, and shall be deemed as security for each other and that the Bank Shall have the right of set-off as between all debit and credit balances. and that any security provided by client and / or guarantor(s) in respect of any account shall be available to and enforceable by the bank to secure the entire outstanding balance due to the Bank is authorized to exercise this right automatically and absolutely irrevocable without any further authorization either from the client and or the guarantor.

b) The client undertakes to make available to the Bank for inspection all his Commercial Books and all such papers and documents, information and correspondence issued, or incoming that he is keeping pursuant to article(28) of Commercial Law No.55/90 and its amendments thereto, as the Bank may in his consideration consider necessary for the purpose of monitoring the clients financial position and his application of the facilities or any part thereof and to provide the Bank with true copy from such commercial books and other documents as the Bank may any times require. The client also warrants and undertakes that he is solvent, and has ceased to make payment of any of his debts for the purpose of article 609 of the said Commercial Law. Accordingly, the client / guarantor(s) undertakes to disclose any other financial obligations toward the Bank or any other Bank or creditors, and its volume and securities and prompt settlement.

c) It is understood and agreed on that as long as this contract remains operative and throughout the period that the facilities or any part thereof remain outstanding, and until complete settlement of all debt and any amounts due of the Bank, the Bank shall have an exclusive commercial mortgage in accordance with article 271 to 231 of the commercial Law No 55/90 overall and any of the client guarantor(s) properties, assets real estate, monies goods, instruments, legal documents, shares, precious metals (whether coined or not) and other assets might at any held by the Bank or coming into his possession, custody or control or that of any of his branches anywhere under any capacity deposited or delivered to the bank or registered under the name of clients / guarantor(s) or both names as a security for any due (or become due) sums and obligations on the client and / or guarantor(s) under whatever name or capacity, whether alone or jointly with any other person or corporate (for the purpose of this paragraph the word “Bank” includes all branches of Oman Arab Bank in the Sultanate of Oman and Arab Bank Group).

d) Also the client undertakes to sign such forms documents of mortgage contract and take all necessary procedures to register such contract in the Commercial Register of the Ministry of Commerce and Industry pursuant to article 219 of the said Commercial Law and / or the competent authority according to its capacity.

Accordingly, each of the client and the guarantor(s) hereby absolutely and irrevocably authorize the Bank to dispose of all or any of the aforesaid properties, moneys, etc. or to sell them in the manner and at the price it deems appropriates, without the need for prior notice or warning, or prior reference to clients and / or guarantor for obtaining their consent or the consent of either of them and without recourse to courts for obtaining a permission or an order for sale. The Bank shall credit the proceeds the sale to the client’s account whether it is partly of in fully settlement of the outstanding liability of the client and / or the guarantor(s) due to the Bank.

e) If any payment made to the Bank under this contract or under the terms of any security provided to the Bank is subsequently repaid by or recovered from the Bank pursuant to Article (610) if the Commercial Law No. 50/90 and its amendments thereto, or otherwise (whose statement of account shall be binding and final on the client) such repaid or recovered payment shall not reduce or extinguish any liability party or totally of the client and / or guarantor(s) towards the Bank hereunder, and all the monies shall be due and payable promptly, and no release given to the client 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 client and / or guarantor(s) hereunder, and the amount of such repaid or recovered payment together with all and any interest and expenses paid thereon or incurred by the Bank shall be within the client/guarantor(s) liability to the Bank hereunder.

8.Records

- a) The Client acknowledges that the Bank's record, statements and accounts in every from shall be the conclusive evidence of the sum due under this contract, and specifically waives any right to challenge the correctness of these record except as provided in article (5) above. The Bank may issue a certificate of the debtor's balance and such certificate shall be the sole, conclusive and irrevocable evidence of these amounts.
- b) The Client // guarantor(s) waives his rights in advance in appointing an accountant or any expert in front of court and admits in advance the correctness of the record, and statements of the Bank as aforesaid.

9.Illegality

- a) If one or more of the terms of this contract found to be illegal, such illegality shall not invalidate the rest of the terms of this contract which shall be effective.
- b) No omission, failure or delay on the part of the Bank in exercising any of his rights or privilege shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or privilege preclude any other or further exercise thereof or any other right or privilege until full and final settlement.

10. Commercial Reg: Amendments

- a) This contract and all terms hereof shall be binding on the client/guarantor(s) notwithstanding any merger, or amendment of ownership, management, or commercial registration whether party or totally, including addresses, signatories or any other matter that might affect the client liabilities or his profitability. The client shall provide the Bank with true copy of his commercial register, and any documents that he submits to the competent body upon not bind the Bank in any way without the Bank's written agreement. The client shall provide the Bank with true copy of his commercial register, and any documents that he submits to the competent body upon submitting. It is understood and agreed that such merger or amendment shall not bind the Bank in any way without the Bank's written agreement. The client shall also provide the Bank with true copies of his periodical balance sheet and audited financial statements within four months' closure of his fiscal year.
- b) If it appears that the person signing this contract in the name of the client or on his behalf is not authorized to bind the client, such matter shall not release the guarantor(s) from his liability as provided in this contract and such liability remains operative and binding on him towards the Bank.

c) The client and / or guarantor(s) agree that despite of law to the contrary he shall be fully responsible for the consequences of any drawing effected by way of the cheque book issued to him by the Ban

11. Notice and Terms

a) The client shall be deemed to have received, and been notified of the Bank's demands, warnings or notice after Ten (10) days posting by ordinary mail or delivered by hand to one of the addresses listed in Article (12) whether the delivery was actually done or not. The client shall be also deemed to have received such notice if advertised in one daily newspaper and / or notice board at the premises of the Bank, or by Hand or by any other means.

b) The guarantor(s) hereby expressly waives the requirements of any notice of any amendments whether to increase or decrease or any variations to the terms of this contract mutually agreed on between the Bank and client from time to time.

c) Words herein importing the client shall include the guarantor and vice versa.

d) In the event of any difference between the Arabic and English texts or meaning the Arabic text or meaning will prevail.

f) Where the context requires, words herein importing the singular number shall include the plural and vice versa

12. Addresses

The following addresses remain effective for all purposes, including services or process, until the Bank is notified otherwise in writing by registered mail, or by delivering a letter by hand to the manager or his deputy against their signature.

a) The Client's Postal Address: P.O. Box..... P.C.

The Client's Physical Address: -

House/Flat No: Bldg. No:

Way No: Lane

City Tel.No:/.....

b) The Guarantors Postal Address: P.O.BoxP.C.

The Guarantors Physical Address: -

House/Flat No: Bldg. No:

Way No: Lane

City Tel.No:/.....

13. Governing Law and Jurisdiction

In case of any dispute this agreement shall be construed in accordance with the applied laws of Sultanate of Oman including the Central Bank Regulation towards any matter not included in this contract. the jurisdiction shall be non-exclusive to the courts of Muscat provided that the Bank may if he so desire to commence proceedings under this contract anywhere in the Sultanate Oman in any other country or jurisdiction where the client and / or guarantor(s), may have properties or assets or may reside.

14. Commercial Guarantee Jointly and Severally

The guarantor(s) hereby absolutely and unconditionally guarantees to the Bank the prompt payment of any amount that will become due from the client to the Bank under the terms of this contract (including all renewals, extension, reschedule and modification thereof) and interest thereon as herein before provided and any fees and expenses due from the client to the Bank, however created or arising or evidenced or acquired and the guarantor(s) here by waives presentment, protest, notice, demand, or action on delinquency in respect of any such indebtedness or liability, including any right to require the Bank to use the client or otherwise enforce payment thereof, in this regard the guarantor(s) relinquishes any right he may be entitles to pursuant to article (246) of the Commercial Law No: 55/90 or any other article of relevance.

The guarantor(s) agrees that this commercial guarantee is jointly and severally in which he / they independently liable for the entire obligation towards the Bank under the Contract. The guarantors shall be jointly liable amongst themselves and jointly liable with the client. The Bank shall have the option of claiming against the client, should he so wish or against any of the guarantors should he so wish. By claiming against one, he shall not forfeit his right to claim against the other. Hence after claiming against one, the Bank may claim against the other and may claim against both, until the full settlement of the debt. interest and any other fees or expense thereof.

15. Disclosure

Notwithstanding any existing provision, arrangement, or custom, to the contrary the client confirms that he has given the Bank a general irrevocable authority to give any third parties any information relating to his obligations and the granted facilities whether it is partly or totally, directly or indirectly at any time whether orally or in writing to all persons or corporate bodies from private, public or mixed sectors whom the nature of their job requires this, or were within the bodies authorized by the Central bank of Oman or at the bank absolute discretion, without being considered to be a breach of the Bank’s duties.

16. The client and the guarantor(s) declare that before signing this contract they have carefully read and understood its contents beside the general conditions governing all accounts and hereby fully and irrevocably bind themselves to their obligations and liabilities thereof.

17. Audited Financial Statements / Audited net worth Statements (For individual’s facilities) must be submitted to us within maximum 4 months of your financial year end. Non-compliance with this requirement will result in suspension of all the credit facilities made available by the Bank.

Signed on this dayof the monthof
the year

The Bank	The Client	The GUARANTOR(S) Jointly and Severally