

General Accounts Operation Terms and Conditions

Bank Sohar S.A.O.G.
GENERAL TERMS AND CONDITIONS
FOR THE OPERATION OF ACCOUNTS

Operation of the Account

1. The Terms and Conditions set forth herein govern all transactions between Bank Sohar SAOG in the Sultanate of Oman (the Bank) and the person or persons signing the Bank's Account Opening Form (The Customer). Signature by the Customer of the Bank's Account Opening Form shall constitute acceptance of the Terms and Conditions herein, as amended from time to time.

These General terms and Conditions are applicable to each and every account held by the customer irrespective of any special conditions agreed by the Customer in relation to any individual accounts.

2. As a matter of prudence the Customer shall not allow the Account to become overdrawn except with the prior written approval of the Bank. Without prejudice to the foregoing, the Customer shall pay interest on any overdraft at the rate or rates determined by the Bank from time to time. The interest is calculated on a daily debit balance on any overdrawn Account. Interest charges shall be debited to the Account of the Customer at the end of each month or at such other intervals as the Bank may decide from time to time. The Customer is liable to repay any overdraft including all interest and other charges immediately upon demand by the Bank.

The Customer hereby waives the Customer's right to immediate notice pursuant to Article 341 of Royal Decree 55/90 in the event of such of overdrawing.

3. The bank may at its discretion issue the Customer with a cheque book for the current Accounts and selected Savings Accounts. The Customer shall exercise due care when drawing any cheque and shall be bound by the conditions as may be amended from time to time, by the Bank. The Bank shall not be held liable for inadvertence or oversight in the payment of future value dated cheque or its failure to act on a Stop Payment Order. The Bank reserves the right to close the Account, collect from the Customer, any cheques and report the name of the customer, and returned cheque details to the Central Bank of Oman, if number of cheques returned due to insufficient funds exceeds the limit set by the Bank.
4. The Bank will periodically send the Customer a statement in respect of the Account - monthly, quarterly and half yearly unless otherwise agreed with the Customer. It is the responsibility of the Customer to check the accuracy of the Statement and notify the Bank of any errors therein within 15 days of receipt thereof. No claim whatsoever, about the incorrectness of any entry in the statement shall be entertained after 15 days period. The Bank shall not be held liable for any other claim which may arise from this service to the Customer.
5. Notwithstanding Article 345 of the Royal Decree 55/90, deposits and withdrawals may be made at any branches of the Bank in the Sultanate of Oman subject to production of

satisfactory evidence of identity or at any Automated Teller Machine by use of the Bank's Automated Teller Machine Card.

6. The Customer shall accept all costs, expenses and risks whatsoever in connection with any Account denominated in a foreign currency including without limitation, any legal or regulatory restrictions-international or domestic, affecting the Bank. The Bank shall not be liable for any loss or delay pursuant thereto. The Bank reserves its right to charge the Customer commission on cash deposits and withdrawals to/from foreign currency accounts if such deposits and withdrawals are in the same currency as the Account. Conversion from one currency to another shall be at the Bank's rate of exchange as determined by the Bank at all the times.
7. The Bank is authorised to charge to the Account for all cheques, orders and payments duly signed in accordance with the valid signing authority or authorities provided to the Bank by the Customer whether or not such Account is in credit and whether or not such Account is or may become overdrawn or an existing overdraft in the Account is increased as a consequence thereof, without prejudice to the Bank's right to refuse to grant or extend such overdraft to the Customer and the Customer hereby waives the Customer's right to immediate notice pursuant to Article 341 of Royal Decree 55/90 in the event of such overdrawn.
8. All payment orders and exchange operations shall be at the risk and expense of the Customer. Neither the Bank nor any of its agents shall be liable for any error, omission, mutilation, interruption or delay occurring in their transmission.
9. The Bank may agree to accept, but without assuming any responsibility for their realisation, cheques, bank draft, and other similar payment instruments for deposits, provided they are made out in favour of the Customer or endorsed to their order. For this purpose, the banks offices or any other agents appointed by the Bank shall be deemed to be the Customer's agents and all accounts of the Customer with the Bank and any branches thereof shall be treated as a single combined account for the purpose of Article 346 of the Royal Decree 55/90.
10. The Bank and its agents shall not be held liable for the loss, mutilation or dishonor of a cheque or any other instrument or for the failure to credit, late presentation, granting time, any delay in crediting the Account or non-payment and return of cheques or other instruments.
11. Proceeds of cheques or other instruments shall not be available for withdrawal until collected by the Bank. The Bank reserves the right to debit any account or demand payment from the Customer for any amounts exceptionally credited or credited under usual reserve, which are subsequently unpaid.
12. The Bank shall not be liable or responsible for failure to give notice of non-payment or dishonor of any cheque, or for any claims, losses or expenses which may arise as a result of returning a dishonored cheque, whether by ordinary or by registered mail or any other means. The Bank reserves the right to debit the Account with the amount of any cheque which was drawn or endorsed in favour of the Customer (whether or not the cheque is

drawn on the Bank , its branches, affiliates or subsidiaries) that has been credited to the Account and is subsequently unpaid , whether or not the cheque itself can be returned

13. The rate of interest payable on Deposit Accounts shall be available at the Bank's branches and shall be subject to change without notice .The Customer shall retain the amounts of Term Deposit Accounts with the Bank until the maturity of individual deposits. The interest on each deposit is payable only upon maturity of the deposit. The premature withdrawal of a Term Deposit shall be only at the sole discretion of the Bank and shall be subject to a lower interest rate and a fixed premature withdrawal charge.
14. Accounts maintained for Minors shall be operated by a parent or legally appointed guardian ("The Operator") until the Minor attains the age of 18. All the monies standing to the credit of such accounts shall be held for the benefit of the minor and shall not form part of the assets of the Operator of account. The Operator of the Account shall promptly inform the Bank on the Minor reaching the age of 18.
15. In the case of Joint Accounts , the liability of each such person identified as one of the account holders shall be joint and several and every agreement and undertaking herein shall be construed accordingly and the liability of any one such person hereunder to the Bank shall not be discharged or affected in any way (a) by reason of the invalidity, voidability or unenforceability as regards any other such person or any security which the bank may hold in respect of the Account or any part thereof or (b) by the Bank's releasing, discharging, compounding with or varying the liability hereunder of, or making any other arrangements with, any other such person.
16. The Bank may at its discretion any time , apply any credit balance to which the Customer is entitled on any Account with the Bank in satisfaction of any indebtedness of the Customer at any time to the Bank and all Accounts of the Customer with any branch of the Bank shall be treated as one combined Account; for this purpose, the Bank is authorised to purchase with the monies standing to the credit of any such Accounts, such other currencies as may be necessary to effect such application.
17. All securities ,bills , credit balances , deposits and banknotes in any currency, documents, or other property of any nature , which are held in the name of the Customer by the Bank, in any of its branches , or which may come into the possession of the bank, shall be so held as security for the payment of any amount due to the bank together with all interest and other charges arising under the Account or otherwise. The Bank shall have the first right to set off or block such security against the Customer's indebtedness, of whatever nature. The Customer waives the right to interpose any counter-claim or set-off of any nature or description in any litigation between the Bank and the Customer.
18. In the event of death, incapacity, dissolution, insolvency or bankruptcy (or other analogous events or proceedings) of the Customer (or in the case of a joint account, any person identified as one of the Account holders) the Bank shall not be liable for any loss pursuant to such which may arise from any dealings on the Account unless and until the Bank has received written notice of the same, together with satisfactory documentary

evidence as determined by the Bank .In such circumstances, the bank shall suspend all dealings on the Account until a duly appointed successor or court appointed officer has, in the opinion of the Bank , been suitably empowered to deal with the Account.

19. The Bank shall not be liable to the Customer for any loss, damage or delay attributable in whole or part, to action by any government or government agency or other force majeure including, without limitation, strikes, industrial action, equipment failure or interruption of power supplies provided that the Bank shall endeavour to give notice generally to its customers of any anticipated delays by notice in its branches.
20. These Terms and Conditions create legally binding obligations on the Customer that do not contravene other contractual or legal obligations of the Customer.
21. Any failure by the Bank to exercise , nor any delay by the Bank in exercising any right or remedy shall not operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise thereof or the exercise of any other right or remedy. The right and remedies herein provided are cumulative and not exclusive of any rights or remedies provided by law.
22. Each of the provision herein are severable and distinct from the others and, if one or more of such provisions is or becomes illegal, invalid or unenforceable, the remaining provisions shall not be affected in any way.
23. The Customer may wish to close the Account by giving prior written notice at any time to the Bank after payment of all monies due to the Bank at the time of such closing of the Account. The Bank may decide to close, freeze or suspend dealings on the Account after deduction of all monies due to the Bank at the time of such closing of the Account and cease the acceptance of funds for the credit to the Account, without prior notice to Customer and without giving any reason and without breach of duty to the Customer either at the Bank's own instance or at the instance of any court or administrative order.
24. Any demand or communication made by the Bank shall be in writing and made at the correspondence address of the Customer indicated in the Account Opening Form (or such other address as the Customer shall notify the Bank in writing from time to time) and shall be deemed to have been served on the date of posting. The Customer shall advise the bank without delay, of any change in address and / or in the documents submitted to the Bank.
25. These Terms and Conditions shall be governed by and construed in accordance with the laws of the Sultanate of Oman. Any claim or dispute, arising from the relationship between the Bank and its Customer or otherwise shall be subject to the jurisdiction of the civil courts of the Sultanate of Oman, but without prejudice to the Bank's general right to take proceedings, where necessary, in any court whatsoever.
26. The Customer hereby authorises the Bank to respond, at its sole discretion, to any and all enquiries, received from any other bankers (including, without limitations, bank references), concerning any and all accounts of the Customer with the Bank, without reference to the Customer.

27. According to these Terms and conditions, the term “person” includes an individual, firm, company, corporation, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) or two or more of the foregoing and, shall include its or their successors and heirs (as appropriate)
28. A stop payment order will be only accepted by the Bank in the event of loss or theft of a cheque or bankruptcy of the intended payee or in such other cases as shall be agreed by the Bank in writing in advance, provided always that any such stop payment order is made at the sole risk and responsibility of the Customer of the appropriate form of document required by the Bank.
29. The customer’s address for service of any notice, statement or communication shall be the address indicated on the appropriate Account Opening Form or such other address as the Customer shall notify to the Bank in writing.
30. The Customer warrants and undertakes that as at the date of opening of all and any of the Accounts, the Customer is solvent and has not ceased to make payment of any debits for the purposes of Article 609 of Royal Decree 55/90.
31. The Signature of the Customer hereby authorises the provision of any information by the bank to any third party pursuant to Article 44.07 (a) of the Oman Banking Law of 1974.

Auto Banking

1. The Terms and Conditions set forth herein govern all transactions performed by the Customer through Auto teller Card (the Card) are in addition to any other agreement(s)/account mandate documentation and the Bank’s General Terms and Conditions relating to the conduct of the Customer’s Account with the Bank. All Credit Card transactions are covered by the Credit Card Terms and Conditions. All Internet Banking transactions are covered by the Internet Banking Terms and Conditions.
2. The Card shall at all times, remain the property of the Bank and the Customer shall surrender the Card to the bank immediately upon request. The Bank may with reasonable justification withdraw at any time, all rights and privileges pertaining to the Card/Services.
3. The Bank is authorised but not obliged to act on any instructions given by telephone which the Bank believes in its discretion, emanate from the Customer and which are accompanied by the use of the Personal Identity Number (PIN).The Bank shall not be liable for acting in good faith on such telephone instruction even where they are given by unauthorised individuals and the Bank shall be under no duty to verify the identity of any person giving telephone instructions purportedly on behalf of the Customer.
4. The Card and personal Identity Number (PIN) are issued to the Customer entirely at the Customer’ risk, and the Bank shall bear no liability whatsoever for any loss/damage arising from the issue to the Customer of the Card or Telephone Banking Services and respective PINs however caused, unless the cause is the result of an act or error of the Bank.

5. The Customer shall at all times remain liable for any transaction made by use of the Card and shall indemnify the Bank for all loss/damage however caused by any unauthorised use of the Card or PIN.
6. Without prejudice to the provisions of Clause 3, the Customer shall exercise every possible care to prevent the Card and details of the PIN being lost or stolen and shall notify the Bank immediately and confirm in writing, any loss or theft. The Bank cannot be held responsible in case a lost or stolen card/PIN is used prior to receipt of written notice of loss.
7. The Bank's record of transactions processed by the use of the Card shall be conclusive and binding for all purposes and acceptable as documentary evidence.
8. The Bank shall debit the Customer's Account with the amount for any withdrawals effected by use of the Card. Transactions which are effected in currencies other than the domestic currency of issuance will be debited to the Customer's Account after conversion into domestic currency of issuance at the prevailing exchange rate as determined by the Bank on the day of conversion.
9. The Bank shall debit the Customer's Account with all expenses arising from the issue of the Card as may be announced by the Bank from time to time and any replacement thereof.
10. Cash withdrawals performed in countries other than that in which the Card was issued will be subject to a cash withdrawal fee as may be announced from time to time by the Bank.
11. The Customer shall not disclose the PIN to any other person without the prior written consent of the Bank
12. The Customer shall not be entitled to overdraw the Account with the Bank or to withdraw funds by use of the Card in excess of any overdraft limit agreed with the Bank.
13. The Bank shall not be responsible for any loss or damage arising directly or indirectly from any malfunction/failure of the card or ATM arising out of the Customer's mistake , the temporary insufficiency of funds in such machines or otherwise howsoever.
14. Any Cash deposited by use of the Card shall only be credited to the Customer's Account after verification by the Bank which shall be conclusive and binding for all purposes and any such deposits shall only be regarded as having been received by the Bank upon its being credited to the Customer's Account.
15. The Customer shall be jointly and severally responsible for all transactions processed by the use of the Card issued to one or more of them on joint account, notwithstanding any stipulation, which may have been made in the account opening mandate completed by them, requiring all parties to the Account to sign.
16. The Bank shall be entitled to immediate return of the Card in the event of the Customer's death or closure of the Account.
17. If and when the Customer delivers Mail for any communication to the Bank, the records of the Bank shall be conclusive evidence as regards the nature of such communication and the time at which they were received by the Bank. Any ambiguities in the written instructions shall be totally the Customer's responsibility.

Joint Accounts only

1. The Terms and Conditions for operating joint accounts is made up of the provisions in this section. The signing instruction which form part of the mandate are contained in the application form.
2. To open and continue (as the case may be) any account or accounts at any branch of the Bank in our joint names as directed and to close any accounts so opened or continued or subsequently opened as directed in each case in accordance with the mandate.
3. To place to the credit of any account in our joint names, all amounts, including dividends, interest and capital sums arising from securities or proceeds of cheque or bills received or collected by the Bank for the credit of any of us.
4. In order to comply with all cheques, promissory notes and other orders drawn and all bills accepted on our behalf, whether our current account be in credit or overdrawn, to comply with all directions given for or in connection with any account or accounts of any kind whatsoever on our behalf and to accept and act upon all receipts for monies deposited with or owing by the Bank on any account or accounts in our names provided that such cheques, promissory notes, orders, bills, directions or receipts are signed in accordance with the mandate.
5. To issue Automated Teller cards to each of us on applications provided the relative application form is signed by us in accordance with the stipulations made by us in 4 above.
6. To make a request in accordance with the mandate any advance to us by way of loan or overdraft or discount or in any manner howsoever with or without security.
7. To deliver upon instructions given in accordance with the mandate any securities, deeds, boxes and articles and their contents, and property of any description held in our joint names.
8. To accept (at the Bank's sole discretion) given in accordance with the mandate any stop cheque instructions in cases where one of us has lost a cheque or in any such circumstances in which it shall be allowed by law and agreed to by the Bank. Should the Bank accept such instruction we understand that the Bank may only do so after we have provided to the Bank an indemnity in such form as the Bank may require.
9. In the absence of any written instructions to the Bank to the Contrary given in accordance with the mandate, all accounts subsequently opened shall be operated and dealt with upon the terms set out above in so far as the same may be applicable.
10. We agree that any liability whatsoever incurred to the Bank by us in respect of the foregoing shall be joint and several.

Funds Transfer Standing Instructions

The Terms and Conditions set forth herewith govern Funds Transfer Standing Instructions and are in addition to any other agreements, account documentation and the Bank's General Terms and Conditions for the operations of the accounts.

1. The Customer shall ensure sufficient funds are retained in the account to enable the Bank to meet any standing instruction on the account on the due date.
2. The Bank reserves the right to determine the priority of any standing instruction against cheques presented or any other existing arrangements made with the Bank.
3. If any standing instructions is inactive for three consecutive months or is rejected for insufficient funds in the accounts, the Bank will terminate the standing instruction without any advice to the Customer.
4. The bank will at its discretion terminate any standing instructions as to future payments at any time after being advised by the beneficiary/beneficiaries of that standing instructions that no further payment is required.
5. A nominal charge may be levied for the initial setting up or amendment of a standing instruction. This charges does not include the incidental postage, stamp duty and/or telex charges which may also be applicable as per the Bank's Standard Tariff of Charges, in force from time to time. The Bank may also at its discretion , levy a charge on each standing instruction payment not effected for lack of funds.
6. If the account has insufficient funds the Bank is not obliged to advice the Customer. It may nevertheless exercise its discretion to remit payment under the standing instructions in which case, the customer must cover the overdraft immediately or in the alternative, may or may not choose to execute the standing instructions at a later date.
7. Any amendments or cancellations will not be effective unless received by the Bank at least one week before the next activation of the standing instructions.
8. Neither the Bank not its branches , correspondents or agents are responsible for any loss, delay , error or omission arising out of any mode of communication used for effecting transfers under standing instructions

Telegraphic Transfer/Demand Drafts

1. In the absence of any specific instructions to the contrary, the Telegraphic Transfer will be effected in the currency of the country in which payment is made.
2. All charges incurred outside the Sultanate of Oman are for the accounts of the beneficiary.

3. The Bank reserves the right to draw this Telegraphic Transfer on a different place from that specified by the remitter if operational circumstances so require.
4. Telegraphic Transfer will be despatched entirely at remitter's own risk.
5. It is understood that neither the Staff, nor the Branches Correspondents, or Agents are responsible for any loss, delay, error, omission, or mutilation arising in the transmission of cables, telegrams or communications by electronic systems.
6. Telegraphic Transfers will be effected with acceptable value (two business days after the deal date). Applications for same day value will be handled at the discretion of the Bank's Management as this is subject to the time the application is received, as well as the cut-off time which applies in the country to which funds are remitted.
7. The Bank or correspondents are not responsible for any delay, mistake or omission caused by the Telegraphic or Postal Authorities and that in the event the draft is lost or stolen, the Bank is not liable for immediate refund.

Privacy of Statement of Account

To preserve the confidentiality of all information you provide to us, we have adopted the following privacy principles:

1. The Bank only collects information that believes to be relevant and required to understand Customer financial needs and to conduct our business.
2. The Bank uses Customer information to better customer services and products.
3. The Bank will not disclose Customer information to any external organisations unless it has Customer consent or are required by law or have previously informed Customer.
4. The Bank may be required from time to time to disclose Customer information to Governmental or judicial bodies or agencies or regulators, but will only do so under proper authority.
5. The bank aims to keep Customer information up-to-date.
6. The Bank maintains strict security systems designed to prevent unauthorised access to Customer information by anyone, including its staff.
7. All Bank staff and all third parties who are permitted access to Customer information are specifically required to observe the Banks confidentiality obligations.

By maintaining commitment to these principles, Bank Sohar S.A.O.G will ensure that it respect the inherent trust of the Customers.

Disclosure and Sharing of Information

1. The Customer irrevocably agrees that the Bank may at its discretion and for any purpose (including for the purpose of fraud prevention, audit, the provision of services by any third party, debt collection, or if required by any competent government or regulatory body) share any information, details or data relating to the Customer or the Customer's transactions with any member or associate member of Bank Sohar.
2. The Customer irrevocably agrees that the Bank may transfer or sub-contract the provision of any part of the services provided to the Customer to any third party whether or not that third party operates in another jurisdiction or territory. The Bank shall remain liable to the Customer for any recoverable loss or damage incurred or suffered by the Customer as a result of the negligence, breach or default of any such third party, and will require that any such third party will maintain the confidentiality of any such information to the same extent as the Bank.

General

1. Bank Sohar reserves the right to vary any of these Terms and Conditions upon notice to the Customer. Use of the Card or any other service after the date upon which any change to these Terms and Conditions is to have effect (as specified in the Bank's notice) will constitute acceptance without reservation by the Customer of such change provided that the customer shall have been notified thereof before such use. Any notice hereunder sent by post will be deemed to have been received by the Customer within 7 days of posting to the address last notified in writing to the Bank by the Customer. Publication of change by such means as the Bank may consider appropriate will constitute effective notice to the Customer.
2. These Terms and Conditions shall be governed by and construed in accordance with the laws of the and for the time being in force or which shall be in force in the future in the Sultanate of Oman.