

General Terms and Conditions

Personal Finance

1444H/2022

1. General Terms and Conditions:

- a. The customer should inform Saudi Fransi for Finance Leasing if there is any change in their address, employment information, personal contact information or the information regarding termination of contract with the employer
- b. Customer Accept that Saudi Fransi for Finance Leasing to share and update Personal and Finance details and payments information with the Saudi Credit Bureau (SIMAH) as mandated by the Central Bank (SAMA).
- c. Saudi Fransi for Finance Leasing is committed to waiving all of the client's financial obligations in the event of death or permanent disability, God forbid, with the exception of cases resulting from:
 - The client deliberately injured himself, or attempted suicide - whether he was sane or mentally ill at the time.
 - Natural disasters
 - Decisions of the court, or the competent judicial authority under the regulations in force in the Kingdom of Saudi Arabia.
 - Abuse of alcohol, drugs or irregular drugs.
 - Participation or training in any sport or dangerous competition, such as participating in horse races or car races.
 - Death or injury arising from the nature of work.
 - What is caused by or arising from or contributed to by nuclear weapons, nuclear radiation or pollution
 - Radiation from any fuel or any nuclear waste resulting from the combustion of nuclear fuel, war, invasion or actions
 - Foreign aggression, aggressive acts or quasi-war actions, acts of sabotage and terrorism committed by it
 - A person or persons acting alone, on behalf of, or in connection with any terrorist organization.
- d. Saudi Fransi for Finance Leasing may reschedule the loan based on customer request under specific circumstances such as the following but not limited to
 - employment loss,
 - prolonged illness.
 - salary reductions etc.

2. Finance and installment payment methods:

- a. The customer will pay the monthly installments as per the payment schedule on time until the end of the finance tenor.
- b. Saudi Fransi for Finance Leasing will issue promissory notes which the customer will sign, guaranteeing that the whole principal amount along with the profit charges will be paid back to Saudi Fransi for Finance Leasing in full.
- c. Customers have the following options by which they can repay their financing:
 - SADAD
 - SARIE to finance account

3. Early Settlement:

- a. The customer has the right to close their financing at any time prior to paying their last installment. When closing their financing will be required to pay off the outstanding principal finance amount, early settlement fee, in addition to any overdue installments and all other accrued charges/fee.
- b. When calculating the full and final settlement amount, advance 90 days profit, in addition to any third-party costs incurred by Saudi Fransi for Finance Leasing at time of settlement will be used to calculate the early settlement fee as the following (Principle amount + accrued term cost not yet collected + 3 months advanced profit + (Late installments if any))
- c. Upon receiving funds for the early settlement of a financing, Saudi Fransi for Finance Leasing will close the contract in the system. Once the contract is closed, Saudi Fransi Leasing requires 1 business day to issue a clearance letter upon the request of the customer. Further, the settlement confirmation will be shared with SIMAH within 3 working days from the closure and SIMAH will reflect it on the customer's credit report based on their procedures.
4. **Annual Percentage Rate:** The Annual Percentage Rate (APR) is used in calculating the yearly financing cost. This rate will be applied to the customer's financing on a reducing balance basis, which is applied as per the Saudi Central Bank (SAMA) regulation.
5. **Administrative Fee:** Saudi Fransi Leasing can charge an administrative fee up to 1% or 5000 SAR, whichever is lower at the time of loan disbursement. VAT shall be applicable on the calculated fee
6. **Finance Amount:** The customer's finance amount will be determined based on a number of variables that include; Gross Monthly income and fixed allowances (Minus GOSI contribution current financial commitments) and depends on customer SIMAH Score and the maximum monthly repayment of their financing cannot exceed 33% of their monthly income for salaried customers and 25% in case of retirees, as mandated by the Saudi Central Bank.
7. **Cancellation of Financing:** Customers may, by giving written notice to Saudi Fransi for Finance Leasing within 10 Calendar Days from the date of depositing the Financing to customer account, unless the amount has been used or withdrawn.
8. **Late Payments:** In the event the customer fails to pay their instalment on the due date (as per the signed payment schedule), Saudi Fransi for Finance Leasing will share all missed payments with Saudi Credit Bureau (SIMAH) within 7 days from missed payment date, which may impact SIMAH record and score.
9. **Failure to Meet Finance Obligation:** If the customer fails to meet their financial obligation as per the contract and payment schedule, and is deemed to be delinquent, Saudi Fransi for Finance Leasing has the right to initiate legal proceedings to the courts as per the law of the Kingdom of Saudi Arabia.
10. **Responsible Financing:** Please ensure that you can manage all existing and future financial commitments prior to taking further financing – failure to do so will result in a negative SIMAH score and difficulty availing finance products from Saudi Fransi for Finance Leasing and/or other Financial Institutions in the future and the possibility of legal action

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- 11. Amendment to the Terms and Conditions:** Saudi Fransi for Finance Leasing may amend these Terms and Conditions at any time and shall notify the customer via SMS on the authorized mobile number, in any manner Saudi Fransi for Finance Leasing considers appropriate, at least thirty (30) days in advance of any change taking effect. The latest Terms and Conditions will be available on Company's website www.fransileasing.com.
- 12. VAT:** VAT will be applicable for services fees as per Zakat, Tax and Customs Authority regulations ZATCA.