

## Agreement

This Agreement is entered into by and between:

- 1- The person whose descriptions are stated at the end of this Agreement.
  - A. The First Party "Borrower".
  - B. "First Party" "the Guarantor"
- 2- The Guarantor whose descriptions are stated at the end of this Agreement.
- 3- Citibank NA, Egypt, located at 2 Abdel Kader Hamza Street, Garden City, Cairo, Egypt, (referred to hereinafter as "the Bank").

The term party includes the legal heirs, successors, executors, administrators ...etc, unless otherwise required by context

### Preamble

**Whereas**, the Borrower and the Guarantor have submitted an application to the Bank to obtain a loan for the purpose of buying a **New car** / a **Used Car** together with its requisites and,

**Whereas**, the Bank has agreed to grant the requested loan in accordance with the terms/conditions and regulations which both the Borrower and the Guarantor have agreed on.

**Therefore**, the following has been agreed upon:

### **I- The Amount of the Requested Loan:**

1- The Bank has agreed to grant the Borrower the requested loan to be used for the purpose mentioned in the above preamble as well as the application. The description of the permitted loan is mentioned in Article (10) herein.

2- The Loan is subject to the interest calculated on the outstanding balance for each period.

(3) (a) The Bank may send a statement of account to the Borrower which shows the due payable amount. It will be deemed that the Borrower has no objections to that statement of account unless the Borrower sends a written notification to the Bank indicating that he/she did not receive the statement of account or that the received statement of account includes mistakes.

(3) (b) Any dispute in relation to the value of the debt or installment amount shall not entitle the Borrower to suspend the payment of the monthly installment at the time it is due.

(3) (c) The Borrower shall pay the service commission to the Bank only once as described in the below table of Charges and such fees are subject to amendment according to the sole discretion of the Bank.

(4) The Loan installment shall be paid according to the set due dates described on the Bank's Agreement. The loan amount and the due payable interests shall be paid in equal monthly installments (EMI).

The details of the number and amount of each installment are stated below in Article 10.

The payment schedule shall not prejudice the Bank's right to oblige the Borrower to pay the total amount of the loan and its supplements upon request.

Furthermore, the calculation or the determination of the value of the monthly installment shall not prejudice the Bank's right to re-schedule the interest.

5) The monthly installment shall be paid in accordance with the payment schedule whether the car has been delivered or not. It is also understood that abiding by the payment schedule is a condition of granting the Loan.

6- Any delay in the Payment of the monthly installment will result in collecting fees in a fixed percentage for each month or part of a month according to the fees and commissions schedule without prejudice to the Bank's other rights. Moreover, such fees shall not affect the necessary and strict compliance with the payment schedule as an essential condition for granting the loan.

7- The rejection of any check that is submitted by the Borrower shall impose on him/her fees in a fixed rate in accordance with the following schedule of fees and commissions. Imposing fees on the rejected/unpaid check shall be without prejudice to other rights of the Bank.

Term of Loan	12	24	36	48	60
Fixed Interest Rate	15.2%	14%	14.3%	14.8%	15.2%
Reducing annual Interest Rate	26%	25%	25%	25%	25%
Late payment fees	100 EGP				
Up front processing fees	1%	1%	1%	1%	1%
In Advance Payment Fees	5% + 5 EGP for each check				

8- In the event of rejecting any check that is deposited by the Borrower in the Bank for the payment of any of the loan installments and which the Borrower does not pay in cash within three working days as of the day of notice sent by the Bank to the customer in relation to that incident, the Bank shall be entitled to immediately take any legal procedures against the Borrower in the manner deemed appropriate by the Bank.

9- In the event that the Borrower does not pay any due amounts under this Agreement, the Bank shall be entitled to carry out set-off between those amounts and any credit account under the Borrower's name in any of the Bank branches.

10- The fees and commissions schedule is subject to amendment according to the sole discretion of the Bank.

11- In the event that the financing terms and Conditions of the Bank have changed as a result of :

- a) Instructions issued by the Egyptian Central Bank or
- b) Relevant circumstances to the currency market,

**Then** the Bank shall be entitled to amend the interest rate and accordingly collect same in the new rate. The Bank shall inform the Borrower of any change in the interest rate by mail one week prior to applying the new rate. Such notice shall be considered an amendment to this Agreement and will include the amended amount of the loan installment in accordance with that change. Borrower hereby declares accepting changes deemed appropriate by the Bank.

12- The payment of the monthly installment includes all the expenses relevant to the loan. The expenses include as an example:

- a) All the expenses relevant to the car comprehensive insurance;
- b) All the expenses relevant to the life-insurance premium;
- c) Any costs or expenses relevant to the Loan Service.

**II: The car is subject to prohibition of disposal in favor of the Bank only:**

1- In order to secure and ensure the granted loan, the Borrower undertakes to annotate prohibition of disposal in the car license for the purpose of securing the loan currently granted to the Borrower.

2) (a) The data of the used car that is subject to purchase or that has been already purchased and for which the loan has been granted is mentioned in the annex attached hereto. The Borrower assures that there are no other restrictions incurred on the car.

2) (b) With respect to the new car which has not been purchased yet, the Borrower shall inform the Bank of its detailed data within three days from the date the Borrower receives the numbers of registering the car in The Traffic Department subordinate to The Ministry of Interior or to assign the vendor the submission of such data in accordance with the form attached hereto.

Such detailed data shall be considered a part of this Agreement.

2) (c) The Bank shall not be responsible for providing the authenticated certificate of registration and the Borrower cannot suspend the payment of the determined monthly installments on the ground that the Borrower did not receive the certificate of registration.

3) Both the Borrower and the Guarantor acknowledge that they will not be entitled to submit any defense before the Court on the grounds that the accurate data of the car was not available at the date of signing the Loan Agreement.

4) The Borrower shall annotate a prohibition of disposal in the car register at the relevant traffic department.

5) The prohibition of disposal is considered effective just after the execution of this Agreement or delivering the car which ever occurs first.

### **III: The Borrower's obligations:**

According to the Borrower's recognition of its obligations, the Borrower agrees on the following:

1) In case of financing a New Car, the Bank will pay the loan amount to the vendor directly and such payment shall be deemed as if it had been paid to the Borrower in person.

2) In case of financing a Used Car, the Bank will pay the Loan amount to the owner/seller of the car or the vendor, and such payment will be deemed as if it had been paid to the Borrower in person.

3) The Borrower shall be responsible for compensating the Bank for all the payments and expenses that may be incurred by the Bank, including the judicial expenses, fees and other costs relevant to recovering the car possession and keeping, insuring and selling the car.

4) The Borrower shall be solely responsible for receiving the car from the factory or the vendor. The Bank shall not be responsible for any delay in delivery, payment of the price, any delay costs or the quality/condition/ validity of the car. Furthermore, the Borrower hereby declares that he/\*she exempts the Bank from any responsibility in relation to any of the abovementioned and that the Borrower shall not suspend the payment of the monthly installments on their due dates on the grounds that the car has not been delivered.

5) (a) For the purpose of the loan insurance and confirming the annotation of prohibition of disposal in the insurance policy, the Borrower shall obtain a comprehensive insurance on the car against all potential risks in accordance with the applicable terms from time to time from one of the insurance companies approved by the Bank. Citibank may conclude the insurance on behalf of the Client in its capacity as the party that granted credit and to pay the premium to the insurance company by a check or a post-dated payment order that is issued by the Borrower or any other instructions of payment. In the event that Citibank does not pay any premium for any reason whatsoever, this shall not affect the Borrower's obligation to pay the premium to the insurance company as well as keeping the car covered by the comprehensive insurance. Citibank shall be entitled to the first claim of any insurance compensation. The Borrower hereby fully authorizes Citibank to take any required procedures to protect the interest of Citibank. Furthermore, the Borrower shall abide by all the instructions issued by Citibank, from time to time, in relation to the insurance policy and its renewal.

5) (b) The Borrower shall issue an irrevocable power of attorney in favor of the Bank in accordance with the form attached hereto.

5) (c) The Borrower shall pledge the car in favor of the Bank in accordance with the form attached hereto.

6- The Borrower shall not impose any restrictions on the car subject to the prohibition of disposal or transfer the title in any way without obtaining the express written consent of Citibank. Also the Borrower shall annotate in the certificate of licensing the car the prohibition of disposal in favor of Citibank in order to affirm the presence of that restriction.

In addition, any disposal of the car, whether direct or indirect, shall constitute the crime of breach of trust which entitles the Bank to take legal procedures against the Borrower. The car is considered held in trust by the Borrower in accordance with the annex attached hereto.

7- Citibank may at all times request to inspect the car as well as all its relevant documents.

8- All the payments carried out by the Borrower to repay the debt as well as its interest and expenses shall be in cash, by checks or in any other methods deemed appropriate by Citibank.

9- Pursuant to the loan agreement, the payment shall be considered complete immediately upon adding the full due payable amounts to the loan account of the Borrower in Citibank without any deductions.

10- In case the due date for payment corresponds to a weekend or a holiday, it shall be automatically amended to the last working day prior to the weekend or the holiday.

11- All the payments carried out by the Borrower in favor of Citibank shall be net without the deduction of any taxes or reductions of any nature whatsoever.

#### **IV: Incidents of Default:**

In the event that:

1- The Borrower fails to pay any amount on its due date, whether part of the basic loan, the interest or other;

2- In case any pledge or guarantee mentioned in this Agreement, any certificate or statement issued in relation to this agreement is incorrect or invalid in respect of any of its aspects;

3- In case the Borrower breaches any term or pledge mentioned in this Agreement;

4- If the car is being confiscated or seized by any authority or for the purpose of implementing any legal procedures;

5- If the Borrower's bankruptcy or insolvency is declared or in case the Borrower loses his capacity;

6- In case of administrative seizure of the car or in case the car is exposed to risks or destruction,

7- In case the car is stolen or in case it is exposed to total damage in the opinion of the Bank;

8- If the Borrower loses his occupation or in case his residence permit is cancelled;

9- If the Borrower tries to transfer the title to the car to third parties prior to the fulfillment of all its obligations under this agreement;

10- In case of the occurrence of any circumstances which the Bank, according to its sole discretion, considers jeopardizing its interests. Thus, in case any of the aforementioned incidents occurs, the Bank shall be entitled to:

- a) Demand the immediate payment of the Loan as well as any other due amount by virtue of this agreement, in addition to the fees due to the Bank in relation to the outstanding balance of the basic amount in accordance with the Bank policy without the need to any protesting procedure, sending notice or litigation;
- b) The Bank may take possession of the car if it finds such action appropriate and the authorized representatives of the Bank shall be entitled to manage the car as well as all its relevant matters in relation to the use of the car, the renewal of its license....etc, in addition to selling the car in the manner the Bank may deem appropriate....without any responsibility on the Bank, in respect of loss;
- c) In the event that the Bank fails or delays in the practice of any of its rights, authorities or concession as determined in this agreement, that failure or delay shall not be deemed as a waiver of that right, authority or concession.

#### **V: In advance payment:**

In case of in advance payment, the Borrower shall notify the Bank through two methods seven days prior to the payment in advance:

- 1) sending a written request or
- 2) Calling Citiphone service (24 hours phone service)

The notice shall include the following:

- a) The loan account number;
- b) The amount paid in advance;
- c) The date determined for the payment in advance.

Interest shall be calculated up till the date of actual payment. The Borrower shall bear the technical costs resulting from the payment in advance in accordance with the schedule of the fees applicable at that time, which shall be determined by the Bank and pursuant to its sole discretion.

#### **VI: The Guarantor:**

1- The Guarantor hereby irrevocably and without any conditions guarantees that the Borrower shall fulfill all his obligations under this contract within two days as of the date of requesting those obligations, whether such obligations result before or after the date of concluding this agreement, with the total amount of the loan granted by the Bank to the Borrower as well as its interest and generated commissions and fees. Such guarantee shall continue until the complete fulfillment of all the obligations and the guarantor's obligation is a joint and several obligation. Thus, the Bank is permitted to request the guarantor to fulfill the obligations severally or jointly with the Borrower.

2- The Guarantor agrees and hereby acknowledges that he is equally obliged as the Borrower and that the relationship between the Borrower and guarantor as one party and the Bank as the other party considers both the guarantor and the Borrower as to original debtors of the Bank and incur all the obligations on both.

3- The Guarantor personally and on behalf of his heirs and executors of his will agrees that he shall not be exempted from his joint obligation as a result of:

- a) Any change that takes place in respect of the terms of this agreement or the conditions of dealing between the Bank and the Borrower without obtaining the guarantor's consent;
- b) Concluding any agreement by which the Borrower is exempted from his obligations;
- c) Any act or delay on the part of the Bank which legally results in exempting the Guarantor from his obligations; or
- d) the reconciliation between the Bank and the Borrower or in the event the Bank pledges to grant the Borrower a grace period for payment or promise not to take legal actions against the Borrower or;
- e) In case the Bank loses the insurance cover. In addition, the Guarantor hereby declares waiving all his other rights that may be available.

4- The Guarantor's obligation shall be due after two days from the date on which the Bank notifies the Guarantor with same in writing by means of a registered letter notwithstanding whether the Borrower has been requested to fulfill such obligation or not, or if legal procedures have been filed against the Borrower or not.

#### **VII: Waiving or assigning rights to third parties:**

1- The Borrower hereby expressly accepts that the Bank shall have the absolute right and full authority to sell, waive or assign any debts due on the Borrower to any third party, which the Bank selects in any manner whatsoever and whether totally or partially in accordance with the terms determined by the Bank, whilst the Bank reserves its right to take legal procedures against the Borrower on behalf of the buyer, transferee or assignee; all this without consulting the Borrower or obtaining his written consent. Such selling, waiver or assignment shall bind the Borrower to accept the third party as a sole creditor, a joint creditor with the Bank or as a sole creditor whilst the Bank continues to practice its rights under this agreement on behalf of the third party, provided that the Borrower shall pay to the third party the amounts due on the Borrower. Furthermore, all the costs and expenses resulting from selling, waiving, assigning or carrying out those rights as well as demanding the due debt on the Borrower shall be incurred by the Borrower. The Borrower shall pay the difference between the balance of the loan amount and the actual amount which the Bank has received in exchange for transferring its rights to the third party, which shall be entitled to demand the due payable amount from the Borrower.

2- The Borrower shall not be entitled to assign any of his rights or obligations under the current Loan agreement without obtaining a prior consent from the Bank.

#### **VIII: Communication, Notices and Correspondence:**

Any notice, letter or other documents sent by the Bank to the Borrower or the Guarantor shall be addressed to the address mentioned in the loan application that is written on the Bank forms and shall be deemed delivered to the Borrower/Guarantor after two days from the date such notice, letter, or documents are sent via registered mail. The Borrower/Guarantor shall notify the Bank in writing with any change in his address within one week from the occurrence of such change. Furthermore, the

Borrower/Guarantor shall mention in all his correspondence the account number and the registration number in full.

**IX: Other obligations and Pledges:**

1- The Borrower hereby expressly agrees that in the event he fails to pay any due amounts or considered to be due prior to their actual due dates, or in case the Borrower breaches any agreement concluded with Citibank (including this Agreement) whereby the Borrower has been granted credit facility, then in any of the herein mentioned cases, Citibank shall have the absolute right to practice all its rights stipulated in any agreement concluded with the Borrower (including this Agreement) according to the sole discretion of the Bank and without prejudice to any of its rights determined in all of those agreements.

2- The Borrower and the Guarantor shall notify Citibank in writing of all the circumstances that may affect the financial position of any of them, including all the changes that may take place in relation to the occupation or the information submitted by the Borrower to Citibank through the form of the loan Application.

3- The Borrower hereby authorizes Citibank to conclude the life insurance policy and to sign it on his behalf (the Borrower) in addition to enlisting Citibank as the sole beneficiary of such policy.

4- The Borrower hereby acknowledges and affirms that Citibank records will be the sole valid evidence of the amounts due on the Borrower and which the Borrower is obliged to pay to the Bank. The Borrower further acknowledges that he waives his right to object the correctness of the Bank records.

5- All the payments carried out by the Borrower shall be net without any deductions, counter claims or condition of any kind whatsoever with the exception of the cases through which the Borrower is obliged by virtue of local laws to carry out such deductions. In such case, the amount paid to the Bank shall be increased to the actual amount which the Bank would have received in case of the absence of such deduction.

6- The Borrower hereby acknowledges that Citibank is entitled to disclose any information relevant to the Borrower's accounts when required by any competent authority by virtue of law.

7- The renewal of the car license is conditional upon the approval of the Bank according to its sole discretion, on the basis of, including without limitation, the regular payment of the installments by the Borrower and the presence of a valid insurance policy.

**X: Monetary Details**

- 1- Amount of the approved Loan  EGP
- 2- Term of the loan
- 3- Amount of the monthly installments  according to the schedule attached hereto.
- 4- Due date of the monthly installments  according to the schedule attached hereto.
- 5- The upfront commission:  EGP
- 6- The commission rate
- 7- The commission rate on the balance

The installments mentioned in the fees schedule of the Auto-loan are preliminary installments. Thus, they are subject to change, depending on the length of the period as of concluding the loan agreement and the date on which the first installment is due. As for the final form of the installments, it shall be mentioned in details in the loan agreement.

**XI: Jurisdiction:**

All the disputes resulting from this Agreement shall be subject to the jurisdiction of Cairo courts with all their levels.

**XII: Acceptance:**

I, the undersigned, hereby affirm that I have read this Agreement which includes 12 Articles including the monetary details mentioned in Article (X) which have been completed in my presence. I further accept to abide by all the terms including the monetary details mentioned hereinabove.

This agreement and the other documents have been explained to me in an understandable language, and I have understood the complete meanings of the various Articles.

In witness hereof, I have signed this Agreement after understanding its content and in the presence of a Citibank representative.

I further declare that I am aware that Citibank NA will not be a party to this agreement except after verifying that all the terms and data I have enlisted in this Agreement and its attachments are consistent with Citibank policy.