

VISA CREDIT CARD AGREEMENT

This VISA Credit Card Agreement (“Agreement”) is entered into as of the/...../..... (“Effective Date”) by and between

Afghanistan International Bank – AIB, (hereinafter referred to as the “Bank”), incorporated under the laws of Islamic Republic of Afghanistan, and

_____, (hereinafter referred to as the “Cardholder”), having NID No _____ working as _____ in _____. (The Bank and Cardholder can together be called as “Parties” or separately as “The Party”). In this agreement, unless otherwise required or indicated by the context, words indicating either gender shall include the other and in this Agreement, the word card means Visa Credit Card

WHEREBY, it is agreed that the Bank will lend the Cardholder money and the Cardholder agrees to repay the Bank. The promise also includes paying for any fees, charges and interest made by the Cardholder or anyone authorized by him.

WHEREAS the parties hereto agree on the following terms and conditions,

1. USAGE OF CARD

- 1.1 The card can be used to withdraw cash from ATMs displaying the card brand’s logo. The Bank shall, at its sole discretion, determine the maximum amount for each transaction conducted each day.
- 1.2 The card will normally be accepted by merchants worldwide displaying the card brand’s logo. However, in rare events if the card is not honored (the website does not acknowledge transactions with Afghanistan or any other reason) by a merchant, the Bank shall not incur any liability in connection therewith.

2. ALLOWED USE

The Cardholder agrees to use his Visa Credit Card account only for lawful purposes. The Cardholder agrees not to make or allow to be made any transactions which are illegal under the relevant Laws and Regulations of the Islamic Republic of Afghanistan, Policy of the Bank, International Agreements, Treaties, Conventions, Committees’ Recommendations and Principles signed or ratified by the Islamic Republic of Afghanistan or such document(s) is binding on the Banking sector by its nature. We may decline to approve such transaction which we reasonably believe is illegal under the above-stated documents.

3. DUTIES AND OBLIGATIONS OF THE CARDHOLDER

- 3.1. The Cardholder, shall,
 - 2.1.1 maintain an active USD account at the Bank and if required by the Bank must ensure availability of sufficient amount in his account to cover 120% cash advance to secure the Credit Card. Cardholders with other accounts (AFS or Euro) shall borne a prevailing rate of foreign exchange for monthly charges and fees. The rate of foreign exchange is subject to the prevailing rate in which transaction takes place,
 - 2.1.2 have an active mobile number to be registered with the Bank to facilitate sending and receiving the Credit Card PIN number through SMS.
 - 2.1.3 sign all documents related to this Agreement in accordance with the standard procedure of Credit Card,

- 2.1.4 In accordance with Article 4 of this Agreement, be bound to protect the card, PIN number and registered mobile number for sending / receiving the PIN through SMS, and in case of loss, theft or misusage, the Cardholder shall immediately inform the Bank of such event.
- 2.1.5 In the event of change of address, registered email or mobile number, notify the Bank of such changes to avoid any event of identity theft. Provided that, personal details (including but not limited to address, registered email and mobile number) mentioned in the application form for Credit Card shall be considered as final and accurate, henceforth, verification of identity shall be made based on the details provided in the mentioned Application form before any actions are taken after such notification for change,
- 2.1.6 Sign the card immediately upon receipt and may only be used during its validity period specified on the card.
- 2.1.7 Be liable for outstanding amounts on the account (including interest) until final payment is made.
- 2.2 The Cardholder (either Individuals or Corporates) requesting for Unsecured Credit Card shall confirm their eligibility and provide all required documents (differing with respect to individuals and corporates) to avail the card.
- 2.3 Subject to Article 7 of this Agreement, the Cardholder, authorizing any other person to use his account shall be testified through legal documents (issued by a court of competent jurisdiction) and he further promises to be liable for any purchase, advance or credit extension made by such person. The Cardholder shall immediately inform the Bank in writing of termination of the Power of Attorney after such relationship has been terminated.
- 2.4 Each transaction authorized by the Cardholder or by any other person at the request of the Cardholder, is final and cannot be revoked or contested.

4. DUTY OF CARE

- 3.1 The Cardholder shall with due diligence act as a reasonably prudent person to ensure safety of the card at all times (including but not limited to card number, card secret code "CVC, CVV" and PIN).
- 3.2 In the event of loss or theft of the card, the Cardholder shall:
 - 3.2.1 call the Bank's 24 hours International Customer Support Center immediately via Telephone Number (+961) 1 738 800 for deactivation of the card, and
 - 3.2.2 inform the Bank either through registered email or in-person (Cardholder should visit the bank) at Bank's Head Office or any of its branch Offices. The Bank shall immediately block the card upon receipt of such notification stated herein.
- 3.3 If the Cardholder fails to inform the Bank of the event stated in Clause 2 of this Article, the Cardholder shall be liable for its misuse by any person, and the Bank shall not be liable for any consequences that may arise due to such event.
- 3.4 It should further be added that, the Cardholder shall be liable, in the events of loss or theft of the card, for all transactions (processed by any third party) on or before receipt of notification of such loss or theft by the Bank.

5. CREDIT CARD CHARGES

- 4.1 The Cardholder hereby unconditionally agrees to all charges related to Credit Card stated in the Schedule of Charges (SOC) for Credit Card.
- 4.2 The Cardholder shall be charged with fees including but not limited to annual subscription fees, late payment fees, fees (including interest which is calculated from the date of withdrawal) for advance cash or any other fee stated in the SOC for Credit Card.

- 4.3 The Cardholder shall be charged with interest at the applicable interest rate for unpaid part of the monthly statement.
- 4.4 The Cardholder authorizes the Bank to debit his Credit Card account (the account specified by applicant in the application form) for any fees, charges, interest and dues as per Mode of Payment chosen by the Cardholder.
- 4.5 The Cardholder shall, subject to Article 4 of this Agreement, agrees to be liable for all charges and expenses incurred on the card in the events stated in the mentioned Article subject to a prior notification provided to the Bank.
- 4.6 The Cardholder hereby agrees and gives consent to the bank to modify the rate of finance and other charges at its sole discretion from time to time with a prior notice to the Cardholder.
- 4.7 The Cardholder of a secured credit card hereby authorizes the Bank to block the requested Card Limit plus 20% increase on the top into Cardholder's account as Cash Cover (Card Limit + its 20% = Cash Cover). Provided that the Bank may, in order to prevent fraud, restrict overpayments to the Cardholder's account that are in excess of his account.

6. DETERMINATION OF INTEREST

- 5.1 The amount of interest shall monthly be calculated on the outstanding balance at 36% rate of interest per annum. Interest shall be calculated based on the following formula, $(36\% / 12 \text{ months} * \text{number of days for which the balance was outstanding})$,
- 5.2 Interest shall apply on outstanding amount inclusive of all related Bank charges. Provided further that, calculation of interest shall initiate after the amount is withdrawn by the Cardholder whether through ATM machines or POS Cash Advance.
- 5.3 Interest will not be applicable for any retail transactions during or in the beginning of the cycle. Consequently, when the cycle ends, settlement shall be made in accordance with the selected mode. In the aforementioned event, the outstanding amount after the end of cycle shall be subject to interest.
- 5.4 The Bank reserves the right to change the interest rate and other fees and charges stipulated in the Schedule of Charges at its sole discretion from time to time, notice of which shall be given to the Cardholder.

7. THIRD PARTY AUTHORIZATION

- 6.1 Notwithstanding anything contained in this Agreement:
 - 6.1.1 The Cardholder may authorize any person to use the card, access check, account number or any other credit device with the authorization to obtain credit on the Cardholder's account. The Cardholder shall be liable for every transaction made by such authorized person. Authorized users may have same access to information about the account and its users as the account holder(s). When required, the Bank may at its discretion, send materials related to the account including but not limited to statements, card and notices to any of the authorized persons, delivery of mentioned materials to other authorized persons shall be responsibility of the person to whom the material was sent.
 - 6.1.2 Save as otherwise provided in this Agreement, the Cardholder may inform the Bank of authorizing any other person as stated in clause 7.1 of this Article in the following ways, mainly:
 - 6.1.2.1 By notifying the Bank that the Cardholder intends to give authority to the account to any other person, or any other ways in which the Cardholder would legally allow the other person to use his account. The Cardholder shall further be liable to submit required documents including but not limited to copy of passport/tazkira (verified through original seen), power of attorney or any other legal document related to the authorized person required by the Bank.

6.1.2.2 Authority given under this Article shall continue until it is terminated by the Cardholder and that the card or any other concerned credit device has been physically retrieved.

8. EVENTS OF DEFAULT,

7.1 In case of occurrence of any events enlisted below, this Agreement shall become void and the card will be blocked if:

- 7.1.1 the Cardholder in respect of this Agreement or any other concerned document provides misleading, fraudulent or false information,
- 7.1.2 the Cardholder fails to comply with any term of this or any other related Agreement,
- 7.1.3 the Cardholder fails to make settlement after limit of the card has been consumed,
- 7.1.4 The Bank finds out that the Cardholder uses the Card for fraudulent or illegal purposes. In such event the Bank has a right to take legal actions against him,
- 7.1.5 the Cardholder dies, and the bank through legal heirs or any other mean is informed of such event,
- 7.1.6 a bankruptcy petition is filed against the Cardholder or he is involved in any receivership, insolvency or custodial proceedings,

7.2 a tax lien is filed against the Cardholder or through any legal proceedings, anyone takes away his funds from his account. The Cardholder acknowledges that in case the Bank has reasons to believe (in good faith) that he is unable to pay his debts (or) is declared incompetent, incapacitated or bankrupt, the Bank may terminate this Agreement at its sole discretion.

7.3 In the events of default stated in Article 8.1 of this Agreement, the Bank has a right to demand immediate payment from the Cardholder's account without giving any notice to the Cardholder. In such case, the Cardholder agrees to pay interest charges and other fees until full payment of the owed amount is made.

9. CANCELLATION OF CARD

8.1 The bank has right, to withdraw or cancel the card at any time required. The Cardholder has a right to inquire about the withdrawal or cancellation forthwith, and shall when required immediately return the card upon request

8.2 By the bank, the remaining amount in the card shall be refunded to the Cardholder in such situation.

8.3 In case of situations mentioned in Clause 9.1 of this Article, the Cardholder shall be liable for all charges and expenses incurred on the card, prior to such withdrawal or cancellation.

10. ACKNOWLEDGEMENT BY THE CARDHOLDER

9.1 The Cardholder hereby affirms and acknowledges that sharing information related to Credit Card by any means of communication either through telephone, fax, email or any other manner is not secure and the bank shall not be held liable for any consequences arising out of such disclosure.

9.2 Subject to Clause 8.1.5 of this Agreement, the Cardholder further acknowledges that the bank shall not be held liable in the event the legal heirs fail to inform the bank of the Cardholder's death.

11. TERMINATION

10.1 Save as provided in Article 8.2 of this Agreement, either party has a right to terminate this Agreement by giving the other a 7 business days prior written notice. Termination by either party may not affect the Cardholder's obligations (including but not limited to payment of interest and other fees incurred) to repay any balance on his account from use of the card.

12. NOTICE

11.1 Unless otherwise provided in this Agreement, all notices to, or, upon respective Parties hereto shall be given or made and confirmed in writing and is required to be made or given to the address provided by Parties hereto.

13. RECOVERY OF AMOUNT

12.1 In the event of default or any late payment, the Bank may refer to the Cardholder's account for collections or any other actions permitted by this Agreement or any applicable law.

12.2 The Cardholder shall be held liable for non-availability of amount in his account, and an amount of US\$ 30/- (or its equivalent) shall be charged after completion of tenure (30 day) including a 10 days grace period. The card shall be suspended after completion of 90 days if due amounts are not paid to the Bank.

12.3 Mode of recovery shall in accordance with the relevant procedure of the Credit Card differs with respect to Cardholder(s):

12.3.1 Where the card is secured, the Bank will recover the amount from the Cardholder's account maintained at the Bank. The Cardholder acknowledges the Bank's Right of Set off to recover; due amounts from the Cardholder's other accounts maintained with the Bank in case of unavailability of sufficient fund in the account related with Credit Card.

12.3.2 The Bank shall be at discretion to take any appropriate action for non-payment of due amounts against the holder of a non-secured card, the Cardholder irrevocably approves the Bank's discretion for any legal actions taken against him.

14. CONFIDENTIALITY

13.1 The Cardholder authorizes the Bank to collect all the required information about him, without any limitations, include every details received from third parties such as credit reporting agencies, information about Cardholder's transactions with the Bank and other companies, organizations, any financial institutions, or whatsoever.

13.2 The Cardholder further authorizes the bank to share such information when required by laws of Islamic Republic of Afghanistan.

15. ENTIRE AGREEMENT

14.1 This Agreement together with and any other document referred to in it constitutes the entire agreement and understanding between the Cardholder and the Bank. Nullification of any provision of this Agreement does not nullify rest of the clauses of this Agreement and shall remain valid and applicable.

16. GOVERNING LAW AND DISPUTE RESOLUTION

15.1 This agreement is governed and to be construed in accordance with the laws of Islamic Republic of Afghanistan, policies of the Bank and laws of Visa (Chargeback Manual of Visa Card), Provided that in case of any conflict between Laws of Islamic Republic of Afghanistan and Laws of Visa, Laws of Visa Card shall prevail over the former.

15.2 In case of any dispute arising out of the terms of this agreement, the issue shall first be settled amicably through a mutual understanding and further referred to the modes of alternate dispute resolution. If the dispute is not resolved through the means of settlement stated above, it shall further be referred to the Courts of competent jurisdiction of the Islamic Republic of Afghanistan.

17. AMENDMENTS TO THIS AGREEMENT

16.1 The Bank has discretion to amend any part of this agreement or any other document related to it with a prior written notice of such amendment to the other party. Furthermore, continuous use of the card following the notification shall be deemed an acceptance by the Cardholder.

18. DISCLAIMER AND NO LIABILITY CLAUSE

17.1 The Bank shall neither be liable for refusal of the Card by any merchant or financial institution to honor the Card nor for the purchase of goods and services. The Bank does not warrant any services or merchandise purchased by the Cardholder, except there is a fault in the Card from the Bank side. Furthermore, the Cardholder acknowledges that the Bank shall not be held liable for use of the Card in any illegal transactions and further agrees to indemnify and hold the Bank harmless from any liability, suits damages or adverse actions of any kind that might directly or indirectly result from such illegal use.

IN WITNESSETH WHEREOF the parties hereto have duly executed this Agreement as of the date first written above.

For and on behalf of the Cardholder:

For and on behalf of the Bank:

Name:

Name:

Designation:

Designation: