

Risks related to the mortgage product

Sr.	Real estate financing risks	Required Action
1	Personal responsibility	Choosing the right property that meets the client's needs and is compatible with his income and obligations is the responsibility of the client. •The customer must disclose the correct monthly expenses in the basic expenses statement form (according to the principles of responsible financing for individuals) in order for the credit study to be carried out for financing by the bank, which is commensurate with the customer's needs and financial obligations. •Disclosing the information (personal, current job, financial ability) correctly on the mortgage application form, and the data must be updated in the event of any change in the information with the bank such as the national address or job information and others. •Correctly answer the health status acknowledgment questions in the funding application form. •Informing the bank of the retirement plan before starting the financing procedures so that solutions and alternatives are created to suit the client's circumstances. •The customer must receive a copy of the terms and conditions of the financing contract, read it and request advice if desired before starting the financing procedures. •Submitting the required documents (income, job and real estate) and their validity is under the responsibility of the client. •The client must ensure the safety of the property and that it is free from engineering and construction defects, as the bank's valuation of the property depends on the market price of the property and does not guarantee the engineering quality. •The customer must ensure that the real estate financing offer has been received, reviewed and communicated with the credit advisor in the bank during the waiting period of five working days from receiving the offer and not to take any action regarding the property during the waiting period, such as: providing an advance payment or a deposit. •Signing real estate finance contracts and their attachments is the client's personal responsibility. Therefore, the contracts must be carefully read and understood, ensure the completeness and validity of the data mentioned in the contract, and request explanation and advice from the credit advisor when needed for clarification before signing the contract. •The customer must receive a signed copy of the contract and its attachments and keep it after completing the financing procedures.
2	Late payment	• The customer shall be obligated to pay regularly and not be late or default in payment so as not to affect the customer's credit record in the credit information company "SIMAH" and it will be reflected in the future on the credit record in the event the customer desires to obtain one of the credit products. • Communicate with the bank to request credit advice in the event the customer encounters financial difficulties in paying his obligations towards the bank so that the bank can offer the options that it can make available to

		the customer in proportion to his financial situation, without that obligating the bank to waive any of its rights. • The customer is obligated to pay regularly, as in the event of non-payment of three consecutive installments or delay in payment of five separate installments, the customer will be considered defaulting and the bank will have the right to start taking legal procedures with the competent judicial authorities.
3	Death or total disability	• The customer or his family must visit the bank in case of death or total disability, God forbid, with the required documents mentioned in the (Life Takaful Policy) to benefit from the insurance coverage during the time period specified by the insurance company.
4	Expenses that may be incurred by the customer and are non-refundable	The bank is not entitled to ask the customer to pay any amounts in excess of the amounts incurred according to the financing contract, except in the following cases: • If taxes, levies, or fees are imposed on the property in the future, including value-added tax. • In the event that the client refuses to pay and is considered defaulted and the collection procedures are exhausted, the client will be transferred to the judicial decision and the client will bear the litigation expenses after the issuance of the judicial ruling. • Evaluation fees for real estate finance that are paid by the customer. The customer has no right to ask the bank to recover it after starting the evaluation stage procedures.
5	Insurance	• The customer must review, receive and abide by the terms of the insurance policies (Life Takaful Insurance Policy) and (Property Damage Insurance Policy) and keep them. • The customer must not do any action that affects the validity or effectiveness of the insurance coverage.
6	Construction defects of the property	• The customer must ensure that the property is free of any construction or engineering defects by consulting personally or contracting with an engineering company and verifying the guarantees on the foundations, structures and internal extensions from the seller, if any, before starting the financing procedures to avoid the occurrence of any defects that partially or completely affect the property Avoid future maintenance costs.
7	Warranties	• The customer must maintain the continuity and validity of all the guarantees provided to the bank and not do anything that reduces the value of the guarantees provided or affects the bank's rights arising therefrom. • The customer has to commit to regular payment to avoid default and to avoid execution by the bank on the guarantees provided by the customer.
8	Breach and termination of contract	The customer should avoid the cases in which the bank has the right to terminate the financing contract on its own, which are: • When the customer fails to pay the due installments and does not correct the default within the period agreed upon by the bank.

- The client's breach of the terms or conditions contained in the financing contract documents and the failure to correct that.
- When it is proven that any information, pledges, declarations or guarantees submitted by the client under the financing contract are incorrect.