REGULATIONS FOR ISSUANCE AND OPERATIONS OF CREDIT AND CHARGE CARDS

ضوابط إصدار وتشغيل بطاقات الائتمان وبطاقات الحسم الشهري

ادارة حماية العملاء
Consumer Protection Department

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<table>
<thead>
<tr>
<th>TABLE OF CONTENTS</th>
<th>الصفحة</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preamble</td>
<td>1</td>
</tr>
<tr>
<td>Definitions</td>
<td>3</td>
</tr>
<tr>
<td>Section 1: Scope of Application</td>
<td>9</td>
</tr>
<tr>
<td>Section 2: Card Issuing</td>
<td>10</td>
</tr>
<tr>
<td>Section 3: Credit Limits</td>
<td>15</td>
</tr>
<tr>
<td>Section 4: Advertising</td>
<td>17</td>
</tr>
<tr>
<td>Section 5: Information Disclosure</td>
<td>19</td>
</tr>
<tr>
<td>Section 6: Cardholder dealing</td>
<td>26</td>
</tr>
<tr>
<td>Section 7: Disputed Transactions</td>
<td>31</td>
</tr>
<tr>
<td>Section 8: Dispute Resolution</td>
<td>35</td>
</tr>
<tr>
<td>Annex 1: Calculation of APR</td>
<td></td>
</tr>
<tr>
<td>Annex 2: Credit Card Agreement Synopsis</td>
<td></td>
</tr>
<tr>
<td>Annex 3: Foreign Exchange</td>
<td></td>
</tr>
<tr>
<td><strong>تمهيد</strong></td>
<td><strong>1</strong></td>
</tr>
<tr>
<td><strong>تعريفات</strong></td>
<td><strong>3</strong></td>
</tr>
<tr>
<td><strong>القسم الأول: نطاق التطبيق</strong></td>
<td><strong>9</strong></td>
</tr>
<tr>
<td><strong>القسم الثاني: إصدار البطاقات</strong></td>
<td><strong>10</strong></td>
</tr>
<tr>
<td><strong>القسم الثالث: الحدود الائتمانية</strong></td>
<td><strong>15</strong></td>
</tr>
<tr>
<td><strong>القسم الرابع: الدعاية والإعلان</strong></td>
<td><strong>17</strong></td>
</tr>
<tr>
<td><strong>القسم الخامس: الإفصاح عن المعلومات</strong></td>
<td><strong>19</strong></td>
</tr>
<tr>
<td><strong>القسم السادس: تعاملات حامل البطاقة</strong></td>
<td><strong>26</strong></td>
</tr>
<tr>
<td><strong>القسم السابع: العمليات المتنازع عليها</strong></td>
<td><strong>31</strong></td>
</tr>
<tr>
<td><strong>القسم الثامن: تسوية المنازعات</strong></td>
<td><strong>35</strong></td>
</tr>
<tr>
<td><strong>مُلحق 1: حساب مُعدل النسبة السنوي</strong></td>
<td></td>
</tr>
<tr>
<td><strong>مُلحق 2: مُلخص اتفاقية بطاقة الائتمان</strong></td>
<td></td>
</tr>
<tr>
<td><strong>مُلحق 3: الصرف الاجنبي</strong></td>
<td></td>
</tr>
</tbody>
</table>
REGULATIONS FOR ISSUANCE AND OPERATIONS
OF CREDIT AND CHARGE CARDS

Preamble:

1. These Regulations shall be applicable to the issuance and operations of all aspects of Credit and Charge Cards as issued by a regulated entity (such as Banks, Finance Companies and other Credit and Charge Card Issuers) as licensed and authorized by the Saudi Arabian Monetary Agency (SAMA), (such as VISA, MasterCard, Union Pay & AMEX). SAMA is the sole authority empowered to apply these Regulations and to take necessary measures as it deems appropriate regarding any violations of these provisions including imposing punitive charges and/or enforcement actions as applicable under the Banking Control Law and the Implementing Regulation of the Finance Companies Control Law. These Regulations are to be read in conjunction with the Banking Consumer Protection Principles and supplement the Regulations as annotated in the Updated Regulations for Consumer Financing issued in July 2014 and its subsequent updates.

2. SAMA may, at its discretion, impose a restriction on a Card Issuer under which its Credit Card authorized limit portfolio may not exceed a specified percentage of its total Credit portfolio.

3. In all cases where instruction or information is required from Cardholders, Card Issuers may accept Authenticated Communication unless otherwise specified.

4. In all cases where instruction or information is required to be sent to Cardholders, Card Issuers may use Guaranteed Communication Means unless otherwise specified.

Near the credit, charge, and cashback cards, this paragraph stipulates the following:

1. These regulations apply to all aspects of credit and charge cards issued by a regulated entity (such as banks, finance companies, and other credit card issuers) as licensed and authorized by the Saudi Arabian Monetary Agency (SAMA), including Visa, MasterCard, Union Pay, and AMEX. SAMA is the sole authority empowered to apply these regulations and take appropriate measures regarding any violations of these provisions, including imposing punitive charges and enforcement actions as applicable under the Banking Control Law and the Implementing Regulation of the Finance Companies Control Law. These regulations are to be read in conjunction with the Banking Consumer Protection Principles and supplement the regulations as annotated in the Updated Regulations for Consumer Financing issued in July 2014 and its subsequent updates.

2. SAMA may, at its discretion, impose a limitation on a card issuer under which its credit card authorized limit portfolio may not exceed a specified percentage of its total credit portfolio.

3. In all cases where instructions or information is required from cardholders, card issuers may accept authenticated communication, unless otherwise specified.

4. In all cases where instructions or information is required to be sent to cardholders, card issuers may use guaranteed communication means, unless otherwise specified.
5. Card Issuers must include details about the Card Issuer’s credit advisory services in all monthly statements, default notices and any other correspondence or communications regarding the Cardholder’s account.
DEFINITIONS

“Adequate Notice”: Notice to a Cardholder that sets forth clearly the pertinent facts so that the Cardholder may reasonably be expected to have noticed it and understood its meaning. The notice may be given by Guaranteed Communication Means reasonably assuring receipt by the Cardholder.

“Advertisement”: A commercial message in any medium that promotes, directly or indirectly, a Credit or Charge Card product.

“Annual Percentage Rate or APR”: The discount rate at which the present value of all payments and installments that are due from the Cardholder, representing the total amount payable by the Cardholder, equals the present value of all payments of the Amount of Credit available to the Cardholder on the date on which the Credit amount is available to the Cardholder, calculated in accordance with Annex 1.

“Authenticated Communication”: Cardholder instructions received through recorded, verifiable and retrievable medium either paper, electronic or verbal.

“Billing Cycle”: The interval between the days or dates of regular periodic statements. These intervals shall be equal and no longer than a quarter of a year. An interval will be considered equal if the number of days in the cycle does not vary more than four days from the regular day or date of the periodic statement.

“Business Card”: shall mean a Credit or Charge Card issued for the purposes of purchasing goods or services on behalf of a Corporate Entity, where the Corporate Entity bears liability for all amounts charged to the Credit or Charge Card.

**Definitions in Arabic**

“إشعار مناسب”: إشعار مكتوب لحامل البطاقة يبين فيه بشكل واضح المعلومات ذات العلاقة بحيث يستطيع - بشكل معقول – من ملاحظة وفهم محتواه. ويمكن تقديم الإشعار بواسطة وسيلة اتصال مضمونة تؤكد بشكل معقول الاستلام من قبل حامل البطاقة.

“إعلان”: رسالة تجارية تُرسل بأي وسيلة للتسويق، بشكل مباشر أو غير مباشر، عن منتج بطاقة ائتمان أو بطاقة الحسم الشهري.

“معدل النسبة السنوي" (APR): التكلفة الإجمالية للإئتمان المقدم لحامل البطاقة بموجب اتفاقية ائتمان ويُعبر عنه بمعدل العمولة السنوي على المبلغ الأساسي أو إجمالي الائتمان الممنح. ويتم احتسابه وفقًا للملحق رقم (1).

“الاتصال الموثق”: تعليمات حامل البطاقة التي تم تلقيها من خلال وسيلة مسجلة يمكن التحقق منها وقابلة للاسترجاع (شكلي مكتوب أو الكتروني أو شفوي).

“دورة إصدار الفاتورة الفترية": الفترة الفاصلة بين أيام أو تواريخ كشوف الحساب الدورية أو المنتظمة. ينبغي أن تكون هذه الفترات الفاصلة متساوية أو لا تزيد عن سبع سنة، وتُعتبر الفترة الفاصلة متساوية إذا لم يختلف عدد الأيام في الدورة بمقدار أربعة أيام عن اليوم أو التاريخ المنتظم.

"بطاقة أعمال": تعني بطاقة ائتمان أو بطاقة حسم مهني يتم إصدارها لأغراض شراء سلع أو خدمات بإسم شركة، حيث تتحمل الشركة مسؤولية كافة المبالغ المدينة على بطاقة الائتمان أو بطاقة الحسم الشهري.
“Business Day”: A day on which the Card Issuers are open for business to the general public.

“Calendar Day”: Any day in a month, including weekends and holidays and based on the official calendar of Saudi Arabia: Umm Alqura Calendar.

“Card Association”: shall mean VISA, MasterCard, American Express, Union Pay and Diners Club or similar institutions. Also known as “Payment Systems Operators”.

“Cardholder”: shall mean (a) a holder, or an applicant to become a holder, of a Credit or Charge Card issued by the Issuer or (b) a holder, or an applicant to become a holder who has agreed with the Issuer to pay all obligations arising from the issuance of a Supplementary Credit or Charge Card to a Designated Individual. He/She is the Primary Cardholder. A Cardholder may be a natural person or a Corporate Entity as applicable.

“Card Issuer”: An authorized entity that issues a Credit or Charge Card.

“Card Limit”: The credit line made available to a Credit or Charge Cardholder under a Credit or Charge Card Agreement.

“Cash Advance”: a transaction to withdraw cash by the Cardholder against his/her Credit or Charge Card Limit. A Cardholder receives a Cash Advance when they:

- Withdraw cash from an ATM.
- Withdraw cash from any other source.
- Make a wire transfer.
- Receive any other mode of cash advance as stipulated by the Card Issuer.
“Charge Card”: a card similar to a Credit Card but one that requires the Charge Card holder to repay the full outstanding amount upon receipt of the account statement or on the due date as per the account statement.

“Corporate Card”: shall mean a Credit or Charge Card issued to an employee or Officer of a Corporate Entity where, under the terms of use of the card:

a. The Corporate Entity bears liability for any amounts charged to the card.

b. The employee or Officer and the Corporate Entity bear liability on a joint and several basis for any amounts charged to the card: or

c. The Corporate Entity bears responsibility for any amounts charged to the card for the purposes of the business of the Corporate Entity.

“Corporate Entity”: shall mean a corporation, partnership or sole proprietorship.

“Credit”: the right to defer payment of debt or to incur debt and defer its payment. Credit is extended by a Card Issuer under a plan in which:

a. The Card Issuer reasonably contemplates repeated transactions.

b. The Card Issuer may impose a Term Cost from time to time on an outstanding unpaid balance.

c. The amount of credit that may be extended to the Cardholder during the term of the plan (up to any limit set by the Card Issuer) is generally made available to the extent that any outstanding balance is repaid.
“Credit Bureau”: A licensed national credit bureau offering consumer and commercial credit information services to respective members in the Kingdom of Saudi Arabia.

“Credit Card”: shall mean a card which is issued by an Issuer in association with Credit Card Associations. The card so issued is used by a card holder to obtain in advance, by virtue of the Issuer’s credit, money, goods, services or other benefits from businesses accepting this card domestically and internationally, and repay the relevant indebtedness thereafter or in accordance with other arrangements. This definition includes Corporate Cards and Business Cards but does not include other types of cards issued such as Debit cards, ATM cards and/or pre-paid cards.

“Credit or Charge Card Agreement”: means an agreement for a Credit or Charge Card between the Card Issuers (as licensed and authorized by the Saudi Arabian Monetary Agency "SAMA") and a "Cardholder".

“Default”: any breach of the terms and conditions of the Credit or Charge Card Agreement and the non-payment by a Cardholder of his/her monthly installment for 90 Calendar Days from its due date.

“Default Notice”: a notice from a Card Issuer to a Cardholder notifying the Cardholder that he is delinquent in payments.

“Designated Individual”: a natural person who has been nominated by a Cardholder to be a holder, or an applicant to become a holder, of a Supplementary Credit or Charge Card issued at the Primary Cardholder’s instructions.

“Fraud”: a deliberate act to dishonestly obtain a benefit (e.g. money, a product or a service).
“Grace Period”: the date by which, or the period within which, any Credit extended for purchases may be repaid without incurring a Term Cost. If a Grace Period is provided, that fact must be disclosed. If the length of the Grace Period varies, the Card Issuer must disclose the range of days or the minimum number of days in the Grace Period, if the disclosure is identified as a range or minimum.

“Gross Salary”: basic monthly salary (less GOSI and pensions contributions) plus all fixed allowances paid to the Cardholder by the employer on a monthly basis.

“Guaranteed Communication Means”: registered mail, hand delivery, and any recorded, verifiable and retrievable electronic medium.

“Initial Disclosure”: the information required to be provided to the Cardholder by a Card Issuer upon opening a Credit or Charge Card account.

“Optional Feature”: features and services which are not part of the standard features or services of the Credit or Charge Card product, requiring payment of additional fees or term cost by the Cardholder.

“Outsourcing”: an arrangement under which a third party (i.e. the service provider) undertakes to provide to a Card Issuer a service previously carried out by the Card Issuer itself or a new service to be launched by the Card Issuer. Outsourcing can be to a service provider in Saudi Arabia or overseas and the service provider may be a unit of the same Card Issuer (e.g. head office or an overseas branch), an affiliated company of the Card Issuer’s group or an independent third party and is subject to the requirement to fully comply with SAMA Rules on Outsourcing.

“Primary Cardholder”: a person in whose name a Credit or Charge Card Account is maintained.
“Profit Rate”: applies to credit extended under Sharia Compliant contracts. It means the rate used to derive profits and is expressed as an annual percentage rate ‘APR’.

“Risk”: the potential of any activity to damage the Issuer entity.

“SAMA”: the Saudi Arabian Monetary Agency.

“Satisfactorily Resolved”: resolution of the error/dispute in accordance with the procedures and timeframes for resolving disputes.

“Term Cost”: the amount of the Term Cost payable by the Cardholder and it may be represented as a fixed or variable percentage of the outstanding balance on the Credit card account.

“Unauthorized Use”: the use of a Credit or Charge card by a person, other than the Cardholder, who does not have actual, implied, designated or apparent authority for such use, including card skimming.
SECTION ONE
SCOPE OF APPLICATION

Application of the Regulations

ARTICLE 1
These Regulations will apply to both Credit and Charge Cards, unless a specific exclusion is noted in the relevant article and will apply to salaried and non-salaried applicants.

ARTICLE 2
These Regulations are the complete Regulations for the issuance and operation of Credit and Charge Cards in the Kingdom of Saudi Arabia. They will take precedence over any other regulations issued previously.

ARTICLE 3
These Regulations will cover Credit and Charge Cards issued by any regulated entity, licensed by SAMA.

ARTICLE 4
Companies subject to the provisions of the Implementing Regulation of the Finance Companies Control Law may extend Credit Cards without collateral, based on their Risk assessment methods.

ARTICLE 5
Credit and Charge Cards issued by Finance Companies are not subject to the restrictions on fees and commissions stipulated in Article (83) of Implementing Regulation of the Finance Company Control Law as well as Article (9) in the updated Consumer Finance Regulations (July 2014).
SECTION TWO

CARD ISSUING

General Requirement

ARTICLE 6
All Credit Agreements, application forms, Guarantee Agreements, repayment schedules and other documentation related to Credit and Charge Cards should be in Arabic. An English version of all such documents should be available and provided to a Cardholder if required by them. In the event of a conflict between the two versions of these Regulations, the Arabic version prevails.

ARTICLE 7
The Cardholder rights and responsibilities relating to the Credit or Charge Card shall be recorded in the “Cardholder Agreement” that shall meet SAMA information disclosure requirements, as provided in Section 5 – ‘Information Disclosure’ of these Regulations.

ARTICLE 8
All Card Issuers will fully comply with the international rules and procedures agreed with the relevant Card Association (e.g. Visa Rules / MasterCard Rules / American Express Business and Operational Policies). Where there is any overlap with any Card Association rules, the Articles in these Regulations will take precedence.

ARTICLE 9
A Card Issuer may not issue a Credit or Charge Card without receiving a signed application from an applicant.

ARTICLE 10
The decision to issue new Credit or Charge Cards requires an effective Risk management strategy to enable an assessment of the eligibility and affirmation of the suitability of the applicant, unless an applicant already holds a Credit or Charge Card(s) issued by the Card Issuer that meets the card issuing requirements provided in Section 2 – ‘Card Issuing’ of these Regulations.

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ARTICLE 11
A Card Issuer shall not issue a Credit or Charge Card to any person who is below 18 years of age (Hijri), except in the case of a Supplementary card as detailed in Section 2 – ‘Card Issuing’ of these Regulations. University students are exempt from this Article, if they can:

a) Provide a Co-signee that meets the card issuing requirements.

b) Provide independent annual income verification and can meet the obligations of the Credit or Charge Card.

ARTICLE 12
When assessing applications, Card Issuers must perform the following:

a. Verify that the financial information and applicant personal details supplied on the application form are correct.

b. Calculate the probability of the applicant’s ability to repay any indebtedness.

c. Determine the amount that the applicant can repay.

ARTICLE 13
The assessment of a request for a Credit or Charge Card should be based on the applicant’s ability to meet all the obligations under the Credit or Charge Card Agreement, and entity credit policy.

ARTICLE 14
A Card Issuer must provide all first time Cardholders with access to free credit advisory services, such as financial education and awareness, before activation of the new Credit or Charge Card can be completed.

ARTICLE 15
If the issue of any new, replacement, or supplemental Credit or Charge Card is rejected to a new applicant or existing Cardholder, the Card Issuer must disclose the rejection reasons within 1 week from the date of the rejection decision.
ARTICLE 16
The minimum Gross Salary eligibility for new Credit Cardholders is set at SAR 24,000 per annum for bank customers and SAR 30,000 for non-bank customers. Where salary or pension is not used as the main basis of assessment, including for university students, the decision may be based on relationship balances and on the basis of demonstrated good behavior as evidenced in a credit bureau report obtained from a Licensed Credit Bureau.

ARTICLE 17
It is the Card Issuer's responsibility to make sure that their card manufacturer meets SAMA and the Card Association’s standards. A manufacturer must therefore make sure that they keep Cardholder data and cards in a secure environment. Card Issuers must meet and maintain adequate levels of security when they store, process and transmit Cardholder data, in accordance with Card Association rules as a minimum and with SAMA circulars as a mandatory obligation.

ARTICLE 18
Additional features (such as credit or default insurance products etc.) that require additional payment which are optional to the primary product features of the Credit or Charge cards, must not be added on or embedded to the Credit or Charge Card account and are to be clearly represented as an “Optional Feature”. A Cardholder must indicate his/her approval to obtain such services before their inclusion in the account. Card Issuers must also clearly disclose all fees and Term Cost for these services to the Cardholder within their offer for such Optional Features.
يمكن لجهة إصدار البطاقات أن تصدر لحامل البطاقة بطاقة إتمان أو حسم شهري بديلة لبطاقة مدة صلاحية جديدة في الحالات الآتية:

أ) إذا تم الإبلاغ عن فقدان البطاقة أو سرقتها أو تلفها.

ب) إذا أوقفت البطاقة بسبب الشك في عملية الاحتيال أو عملية مشبوهة.

(ع) إذا انتهت مدة صلاحية البطاقة الأصلية وكانت البطاقة البديلة من نفس نوع بطاقة الائتمان أو الحسم الشهري المعاد إصدارها.

(ع) أي أسباب فئية أخرى، بما فيها التحديثات التقنية وتحسينات الأنظمة.

(ع) إذا كان الحساب غير متعثر.

(ع) إذا أوقفت البطاقة المشتركة ذات الاسم الشهري أو البطاقة التجارية المزدوجة أو البطاقة التجارية أو البطاقة المخصصة لتجار معينة وأصدرت بطاقة بديلة وفقًا لتفاقيمة البطاقة الأصلية بين جهة الإصدار وحامل البطاقة.

(ع) إذا صدرت متطلبات أو ضوابط جديدة أو محددة.

يحق لحامل البطاقة أن يقبل البطاقة البديلة أو أن يرفضها، ويعتبر موافقًا على إصدارها إذا:

1. لم يبد الاحتجاج على الشروط المشار إليها في الفقرة السابقة خلال أسبوعين من إشعارهم، أو

2. قيامه بتسليط البطاقة البديلة.

المادة 20

تعامل البطاقة البديلة على أنها نفس بطاقة الائتمان أو الحسم الشهري التي تم إعادة إصدارها، بما في ذلك:

- نوع البطاقة
- شروط واحتمال الاستخدام
- نوع العلامة
- رسوم وتكاليف على البطاقة الأصلية تطبق جميعها على البطاقة البديلة.

أي رسوم وتكاليف على البطاقة الأصلية تطلب حامل البطاقة بتركيبة بطاقة إلى قبالة على نمط أضافية وشروط واحتمال خاصة ورسوم خاصة.

لا إذا كان إصدار البطاقة البديلة لطلب حامل البطاقة بتركيبة بطاقة

بذلك الفئة الأولى.
Supplementary cards

ARTICLE 21
The Supplementary card may be issued at the Primary Cardholder's request to issue a Supplementary card under their account, to their Designated Individual.

ARTICLE 22
A replacement Supplementary card must be issued in accordance with the Articles for card issuing provided in these Regulations.

ARTICLE 23
The Primary Cardholder shall be liable for all liabilities incurred under the Supplementary card, including any outstanding and or unpaid balances.
SECTION THREE
CREDIT LIMITS

ARTICLE 24
A Card Issuer is not permitted to increase a Credit limit of its Cardholder without receiving an Authenticated Communication from the Primary Cardholder seeking such an increase and according to the Regulations and circulars issued by SAMA relating to Credit and Charge Cards. Any confirmation of such prior request by the Primary Cardholder must be documented. This Article does not apply to Charge Cards.

ARTICLE 25
When setting initial credit limits, a Card Issuer needs to consider:

a. The results of a debt burden analysis (the ratio of the Cardholder’s debt to his annual income).

b. Account behavior information (on existing accounts) e.g. typical value of transactions; timeliness of repayments.

ARTICLE 26
A Card Issuer may not issue or permanently increase the Credit limit of an existing Credit or Charge Card without seeking the Cardholder’s Credit records from a Licensed Credit Information Bureau, and examining the credit record of the Cardholder to confirm the Cardholder’s solvency, repayment capacity and credit conduct.

ARTICLE 27
A Card Issuer is required to carry out proper risk management procedures including the use of Credit scoring models, delinquency behavior etc., for issuance and for renewal of Credit or Charge Cards and to assign appropriate Credit limits to the Cardholder.
ARTICLE 28
The Card Issuer risk management procedures, together with their Credit scoring model, must be reviewed annually at a minimum or as directed by SAMA. A fundamental part of this annual review must be the assessment of Cardholder account behavior delinquency.

ARTICLE 29
Where a Cardholder has not made the full minimum monthly repayment on 3 consecutive occasions the Card Issuer will immediately:

a) Freeze the account and treat it as a delinquent account.
b) Offer the Credit Advisory Services (regarding how to deal with financial difficulties) free of charge to the Cardholder, and
c) Work towards a mediated settlement before implementing collection and legal system against the Cardholder.
d) A Card Issuer must deal directly with a defaulting Cardholder during this time and can only hand over the case to an internal or external collection agency a minimum of one month after the date when the third consecutive defaulted monthly repayment has occurred. Thereafter and at all times, the Card Issuer must be available to directly offer Credit Advisory Services to the defaulted Cardholder.

ARTICLE 30
A Card Issuer is not allowed to lower the minimum monthly repayment required from its Cardholder below 5% of the outstanding balance on the Credit card account.

ARTICLE 31
Upon receipt of a request from a Cardholder seeking closure of the Credit or Charge Card account and upon receipt of full and final repayment of the Credit or Charge Card account, the Card Issuer is required to issue a no liability or clearance letter no more than one month from the date of full and final repayment of the outstanding amount and update the Cardholder’s record with any Licensed Credit Bureau within maximum of one week of closing the account.
SECTION FOUR
ADVERTISING

ARTICLE 32
A Card Issuer that advertises a Credit or Charge Card in an Advertisement must disclose, in a manner that is clear to the Cardholder, the name and Annual Percentage Rate (APR) of the advertised product and shall not include other rates such as the Term Cost.

ARTICLE 33
A Card Issuer launching a campaign, advertising special term cost free promotions for a specific period, must ensure that the Advertisement discloses in a manner equally as prominent, whether or not term cost accrues during the specific period and is payable after the end of the period, with the end date of the special term cost free promotion period clearly displayed on the Advertisement.

ARTICLE 34
The Card Issuer must indicate in all product Advertisements its name, logo, any identifying representation and contact details.

ARTICLE 35
SAMA may require any Card Issuer who does not abide by the provisions of the articles within these Regulations to withdraw the Advertisement within one Business Day of notice from SAMA.

ARTICLE 36
If a Card Issuer offers an introductory promotional term cost, the Card Issuer must remind the Cardholder one week before the end date of the introductory promotional term cost. The Card Issuer will provide the Cardholder with the revised term cost and any change in other terms and conditions that will apply to the period after the introductory period. The Cardholder may have the option to terminate the account. In 10 days if he/she does not accept the new term cost.
ARTICLE 37
Advertising by Card Issuers will not be deceptive or misleading and will not exaggerate the advantages of a product or service. All text and numbers, including footnotes shall be clearly visible and understandable with a legible font size (minimum equivalent to Arial 9).

ARTICLE 38
The Card Issuer may not carry out any of the following:

a. Provide an Advertisement that includes a false offer or statement or claim expressed in terms that would directly or indirectly deceive or mislead the consumer.

b. Provide an Advertisement that includes the unlawful use of a logo, a distinctive mark, or a counterfeit mark.
SECTION FIVE
INFORMATION DISCLOSURE

Disclosure statement

ARTICLE 39
A Card Issuer that proposes to enter into a Credit or Charge Card Agreement with a Cardholder must provide an Initial Disclosure. The Disclosure must be clear and easy to understand and highlight the terms and conditions which may affect the Cardholder’s rights and obligations, and the Card Issuer must use any format specified by SAMA from time to time for that purpose.

Furthermore, the specific terms contained under Article 74 dealing with 'account statement errors/disputed transactions' must be included in the Initial Disclosure. An Initial Disclosure is deemed to be provided to the Cardholder by any of the following:

a) On the day recorded as the time of sending by the authorized Card Issuer’s server, if provided by electronic means, and the Cardholder has consented to receive it by electronic means.

b) On the day recorded as the time of sending by a fax machine, if provided by fax and the Cardholder has consented to receive it by fax.

c) 2 weeks after the postmark date, if provided by registered mail.

d) When it is received, in any other case.

ARTICLE 40
The Initial Disclosure must include the following information as a minimum:

a. The initial Credit limit, if it is known at the time the disclosure is made.

b. The APR and the annual 'Term Cost'.

c. The nature and amounts of any recurring non-'Term Cost' charges.

d. The minimum payment during each payment period and the method for determining it.

e. Each period for which a statement of account is to be provided.
f. The date on and after which term cost accrues and information concerning any Grace Period that applies.

g. The particulars of all fees and charges.

h. Information about any Optional Feature in relation to the Credit or Charge Card Agreement that the Cardholder accepts in writing, the fees for each Optional Feature and the conditions under which the Cardholder may cancel that feature.

i. The manner in which the term cost is calculated.

j. If the Cardholder is required by the Credit or Charge Card Agreement to pay the outstanding balance in full on receiving a statement of account:
   1. Mention of that requirement.
   2. The Grace Period by the end of which the Cardholder must have paid that balance and,
   3. The penalty fees charged on any outstanding balance not paid when due.

k. Information on all applicable charges including reporting of Default cases to a Licensed Credit Information Bureau or appropriate Regulatory Authorities as per SAMA’s approval.

l. An illustrative example of calculations depicting sample conversion of foreign currency charges into Saudi Riyal, showing the foreign exchange conversion fees used when the Card Issuer converts a foreign transaction back to Saudi Riyal. The calculations should include one foreign currency purchase transaction and one Cash Advance transaction at an ATM/POS outside of Saudi Arabia.

ARTICLE 41

An Initial Disclosure may be part of a Credit or Charge Card Agreement or an application for a Credit or Charge Card or may be an annex to the foregoing documents. The Card Issuer is required to obtain a signed acknowledgement from the Cardholder of having read and received the Initial Disclosure. This signed acknowledgement must be retained, even after the Cardholder closes their Credit or Charge Card account.
ARTICLE 42
If the Cardholder consents, the Initial Disclosure may be provided by electronic means that the Cardholder can retrieve and retain.

ARTICLE 43
If the initial Credit limit is not known when the Initial Disclosure is made, the Card Issuer must disclose it in:

a. The first statement of account provided to the Cardholder; or

b. In a separate statement that the Cardholder receives on or before the date of the first statement of account.
General disclosures

ARTICLE 44
As part of the Initial Disclosure, Card Issuers must include a summary covering the basic information regarding the Credit or Charge Card product and the main provisions of the Credit or Charge Card Agreement, in a language clear to the Cardholder and in accordance with the format stipulated by SAMA. The Cardholder's receipt of such summary shall be documented in the Cardholder record (Annex 2).

ARTICLE 45
If a Credit or Charge Card agreement is amended, the Card Issuer must, at least 30 Calendar Days before the amendment takes effect, disclose to the Cardholder, any changes to the agreement, except changes to the following:

a. An extension to the Grace Period.

b. A decrease in fees and charges.

c. A change concerning information about any optional service in relation to the Credit or Charge Card Agreement.

ARTICLE 46
The Card Issuer shall mail or deliver to the Cardholder, the monthly account statement at least three weeks prior to due date. Where the Cardholders agree to receive their monthly statement by electronic channel, the Card Issuers may not send the physical statements. The Card Issuer that fails to satisfy such requirement shall forfeit the right to collect any additional fees as a result of such failure.

ARTICLE 47
A Card Issuer should include specific warning statements in all Agreements, terms and conditions, application forms and Advertisements, in red colors stating clearly the potential consequences for the Cardholder in:

a) Not meeting the Credit or Charge Card conditions as confirmed in the Agreement.

b) Only making the minimum repayments each month.
Regular account statements

ARTICLE 48
A Card Issuer must provide Cardholders with regular monthly statements that contain the following information:

a. Details of Credit Limit: includes approved Credit limit, available and outstanding balances.
b. Previous balance: The outstanding account balance at the beginning of the account statement cycle.
c. Purchases or Advances: Identification of transaction and its merchant description including the date of transaction and the transaction amount in Saudi Riyal or its equivalent if it's in foreign currency.
d. Details of fees or term cost charged to the account, and the dates when those amounts were posted to the account, including fees for ‘Optional Features’ purchased by the Cardholder.
e. The amount that the Cardholder must pay, on or before a specified due date.
f. The total sum for payments and the total sum for purchases, total sum for Credit advances and total sum for fees.
g. Any payments charged or refunds to the account during the account statement cycle, including the amount and the date of payment and or refund.
h. If the term cost has changed during the account statement cycle, each periodic rate used to calculate the term cost and the value of balances to which it will be applied shall be disclosed. If different periodic rates were used for different types of transactions, the types of transactions to which such rates are applied shall be disclosed.
i. The amount of the balance to which a periodic rate was applied. The manner in which the balance was determined shall be disclosed.
j. The closing date of the account statement cycle on which the balance becomes due and outstanding.
k. The date on which the new outstanding balance of the Credit or Charge Card must be paid fully or partially to avoid term cost and any applicable penalty charges.
1. The address or telephone number to be used for notification of account statement errors or any other enquiries that a Cardholder may have on the account statement.

m. The time period allowed to the Cardholder to verify the accuracy of transactions as annotated in the account statement after which the account statement is binding. This period shall not be less than 30 Calendar days as of the date of sending the statement.
Disclosure of fees, commissions and charges

ARTICLE 49
Details of foreign currency transactions, including conversion rate, fees and all charges levied on the foreign currency transaction, must be displayed on the transaction record in the Cardholder’s monthly statement, in the manner stipulated by SAMA.

ARTICLE 50
If a Card Issuer offers to defer or skip a payment under a Credit or Charge Card Agreement, the Card Issuer must, with the offer, disclose in a prominent manner whether term cost will continue to accrue or if any additional charges will accrue during any period covered by the offer, if the offer is accepted.

ARTICLE 51
The Card Issuer is required to promptly advise its Cardholders of any changes in their Credit or Charge Cards agreement by giving them at least 30 Calendar Days prior notice advance notice.
SECTION SIX

CARDHOLDER DEALING

General

ARTICLE 52
The Saudi Riyal shall be used as a basis for calculating all transactions and charges of Credit and Charge Cards, and it shall be used in all disclosures of monetary values for cards issued and or denominated in Saudi Riyal. For cards issued in currencies other than the Saudi Riyal, the basis for calculation will be their respective currency of issuance.

ARTICLE 53
A Cardholder may terminate the relevant Credit or Charge Card Agreement if they do not agree to any amendment, change or modification by notifying the Card Issuer of their desire to terminate the Credit or Charge Card Agreement within 14 calendar Days after their receipt and after paying the outstanding amount. The aforementioned notice from the Card Issuer should advise Cardholders of their entitlement to a 14 calendar Days termination period.

ARTICLE 54
The Cardholder is required to keep the Card Issuer's records updated with their latest address and to immediately notify the Card Issuer of any change in their contact details. Failure to provide this information will release the Card Issuer from any liabilities and obligations under Article 56.

ARTICLE 55
A Card Issuer may allow its Cardholder or a Designated Individual to process a Cash Advance using their Credit or Charge Cards up to a maximum of 30% of their Credit limit. ATM cash withdrawals are subject to limits that pertain in the jurisdiction where the Cardholder is making the cash withdrawal.
ARTICLE 56
Card Issuers should be advised to incorporate in their Credit or Charge Card agreements a clause which specifies that within 10 days of receiving a Credit or Charge Card, the Cardholder has the right to cancel it free of change and the Card Issuer will not claim any fee unless the Cardholder has activated the Card.

ARTICLE 57
The Card Issuer must, upon the approval of the Cardholder, register the Cardholder’s credit information with a Licensed Credit Information Bureau in accordance with the relevant laws, regulations and instructions. Such information shall be updated throughout the period of dealing with the Cardholder.

ARTICLE 59
Card Issuers are expected to have appropriate anti-fraud and monitoring systems and procedures in place to protect itself and its Cardholders. At a minimum, Card Issuers must have systems to detect unusual transactions or account behavior and must proactively contact Cardholders to verify any suspicious transactions.

ARTICLE 60
A Card Issuer should emphasise to merchant customers that they cannot pass on or impose any additional fees or charges (merchant service charge) when Cardholders use a Credit or Charge card for purchase of goods or services in their stores. The Card Issuer responsible for accepting the merchant’s deposits should ensure the amounts deposited are aligned with the merchants’ business. A Card Issuer should facilitate training of merchants’ staff on the use of POS devices and provide them with the required rules and regulations to be followed.
ARTICLE 61
A Card Issuer engaging in Outsourcing of any component of its Credit or Charge Card business (including marketing for new cards and or collection of dues etc.) shall comply with SAMA’s ‘Rules on Outsourcing’.

ARTICLE 62
Each monthly statement must include an illustrative information in red colors showing:

- How long it will take the Cardholder to pay off the amount of SAR 7000 or actual statement balance using the minimum repayment amount only.
- The Term Cost to the Cardholder as a result of paying only the minimum amount due.

ARTICLE 63
Card Issuers must issue an SMS message to Cardholders:

- Advising when a debit transaction has been authorized, showing the merchant name, date and amount of the debit transaction, updated balance of the account and the credit limit available after the transaction amount has been posted to the account.
- Advising when a credit transaction has been processed, showing the payer name, date and amount of the credit transaction, the updated balance of the account and the credit limit available after the transaction amount has been posted to the account.
- Release of pre-authorizations transactions.

ARTICLE 64
A Card Issuer must inform Cardholders about outstanding transactions and request payment within a maximum of 90 days from the original date of the transaction. After that, the Card Issuers can only debit a Cardholder’s account for payment after obtaining documented approval from the Cardholder.
ARTICLE 65
A Card Issuer is required to implement a clearly defined Code of Conduct for employees engaged in Cards business including sales and marketing of Credit and Charge Card products and follow-up and collection of impaired and delinquent Credit Card and Charge Card Accounts. A Card Issuer must provide those employees with a copy of the Code of Conduct and obtain their acknowledgement of receipt. The Code of Conduct must prohibit the following:

a. Any contact with neighbors, relatives, colleagues or friends of the defaulting Cardholder for the purpose of requesting or conveying information on the solvency of the Cardholder.

b. Any communications (verbal or written) to the Cardholder conveying incorrect information on the consequence of defaulting on their obligations to the Card Issuer.

c. Unauthorized repossession of the pledged collateral excluding cash collateral without judicial proceedings or the specific consent of the Cardholder.

d. Communicating with the defaulting Cardholder using envelopes tagged with inscriptions identifying contents as containing debt collection information.

e. Any breach of confidentiality of Cardholder information, conflict of interest and breach of ethical values.

ARTICLE 66
Card Issuers are prohibited from increasing the Term Cost on an existing outstanding balance as a result of delinquency or default.

ARTICLE 67
Credit and/or Charge Card outstanding amount must be due on the same date each month and payments received up to and including midnight on the due date must be treated as timely. Card Issuers cannot charge a late payment fee unless Cardholders are given at least 21 days to pay their due amount.
المادة 68
ينبغي ألا تتجاوز رسوم السداد المتأخر مبلغ 100 ريال سعودي، على أن لا تتجاوز الرسوم المبلغ القائم المستحق.

المادة 69
لا يحق للجهات المصدرة للبطاقات السماح لحامل البطاقة تجاوز حد البطاقة الإئتماني واستقطاع رسوم تجاوز الحد الإئتماني المسموح به، وأي قرار تتخذه الهيئة المصدرة بالسماح لحامل البطاقة تجاوز حد البطاقة فينبغي أن يكون مبني على تقييم الهيئة المصدرة للمخاطر.

المادة 70
Cash Advance fees must not exceed:

- SAR75 for Cash Advance transaction up to SAR 5000.
- 3% of transaction amount over SAR 5000, and subject to a maximum of SAR 300.

المادة 71
لا يحق للجهات المصدرة للبطاقات احتساب رسوم على عمليات التحويل بين حساب حامل البطاقة الجاري وحساب بطاقة الائتمان أو بطاقة الحسم الشهري في نفس البنك.

المادة 72
Card issuers must immediately credit transfers between their Cardholder’s current account at their bank and the Cardholder’s Credit or Charge Card account that has been issued by them.

المادة 73
Card issuers must send a notification to Cardholders, one month before expiry of reward points, and repeat one week before expiry date, advising the Cardholder of the number of points due to expire and the expiry date.
SECTION SEVEN

DISPUTED TRANSACTIONS

Account error/disputed transaction

ARTICLE 74

The term “account statement error/disputed transaction” shall represent any transaction posted to the Cardholder’s Credit or Charge Card account, resulting in an error in the overall balance. Account statement errors shall include the following:

a. An Unauthorized use transaction that is not made by the Cardholder or person authorized by the Cardholder.

b. A transaction on which the Cardholder requests additional clarification including documented evidence.

c. Failure by the Card Issuer to properly credit a payment or any other amount deposited in the Cardholder’s account.

d. Accounting error made by the Card Issuer, so that a charge would be lower or higher than it should be including the imposition of fees or term cost that are not in accordance with the terms and the agreement in force.

e. The Card Issuer’s failure to deliver a monthly account statement to the Cardholder’s address on record.

f. Any other errors relate to Cardholder transactions.

ARTICLE 75

The term “notice of account statement error/disputed transaction” means a notification given by a Cardholder to the Card Issuer, using the contact information as included within the said account statement or other information supplied by the Card Issuer, and it must meet the following requirements:

a. It must be received by the Card Issuer no later than 30 Calendar Days after the Cardholder had mailed or delivered the first account statement which contains the account statement error.
b. The notice shall enable the Card Issuer to identify the Cardholder’s name and account number, and indicate, to the extent possible, the Cardholder’s reasons for believing that an account statement error exists, the nature of such error, the transaction details including posting date and amount related to the error.

c. If the card holder is proven to having being engaged in any fraud behaviors relating to the disputed transactions, and if the card holder refuses to provide relevant necessary materials for the investigation of the disputed transaction, the Card Issuer shall have no liability for the disputed transactions.

d. If an unauthorized transaction or fraud occurs after the Cardholder has notified the Card Issuer by telephone of the loss or theft of the card, then the Card Issuer will bear the responsibility for the amount of the unauthorized transaction or fraud.

ARTICLE 76

The Cardholder’s liability for Unauthorized use of the Credit or Charge card shall be limited by the following:

1. In an Unauthorized use of the Credit or Charge card on account of its Loss or Theft, the maximum liability of the Cardholder prior to the Cardholder reporting the Loss or Theft to the Issuer shall not exceed the available credit limit or the amount of unauthorized transactions posted to their account, whichever is lower at the time of such Loss or Theft.

2. The Cardholder shall not bear any responsibility or cost unless the Card Issuer has provided adequate notice of the Cardholder’s maximum potential liability and of means by which the Card Issuer may be notified of loss or theft of the card (such as a telephone number, address,).

3. The Cardholder shall have no liability for any Unauthorized transactions made by the use of the card after reporting its Loss or Theft to the Card Issuer if the following conditions were met:

a) The Cardholder has immediately and without delay notified the card issuer by telephone of the loss or theft of the card.

b) It should be possible to identify the Cardholder’s name and account number, and indicate the Cardholder’s reasons for believing that an account statement error exists, the nature of such error, the transaction details including posting date and amount related to the error.

c) If the card holder is proven to having been engaged in any fraud behaviors relating to the disputed transactions, and if the card holder refuses to provide relevant necessary materials for the investigation of the disputed transaction, the Card Issuer shall have no liability for the disputed transactions.

d) If an unauthorized transaction or fraud occurs after the Cardholder has notified the Card Issuer by telephone of the loss or theft of the card, then the Card Issuer will bear the responsibility for the amount of the unauthorized transaction or fraud.
b) The Cardholder shall also be not responsible if the Card Issuer has failed to receive the notification of loss or theft due to negligence or delay on its part.

c) The Cardholder has exercised vigilant care in safeguarding the card from risk of loss, theft or unauthorized use.

4. If any dispute is found to be a potential or genuine fraud (e.g. counterfeit, skimmed, etc.) the full amount of the disputed transaction must be reversed on the card account.

ARTICLE 77
When informed of the Unauthorized charges by their Cardholders, Card Issuers should ensure appropriate investigations are carried out to determine responsibility and liability. Cardholder are required to provide the necessary information and documentation to assist in the investigations.

ARTICLE 78
In any action by a Card Issuer to enforce liability for the use of a Credit or Charge Card, the burden of proof is upon the Card Issuer to show that the use was authorized. If the use was unauthorized, then the burden of proof is upon the Card Issuer to show that the conditions of liability for the unauthorized use have been met.

ARTICLE 79
Where a Card Issuer is making refund to a Cardholder account, they must immediately communicate the decision to Cardholder by SMS and refund the due amount.

ARTICLE 80
In the case of a Cardholder disputing a transaction, Card issuers must freeze any accruing term cost and must not charge out any term cost on the disputed amount.

ARTICLE 81
Card Issuers are required to have systems in place to record and retain Cardholder calls for at least 180 days from the date of recording for verification if required.
ARTICLE 82
Card Issuers are required to provide Cardholders with a reference or transaction number at the time of the report of loss, theft or Unauthorized usage.

ARTICLE 83
A Cardholder can raise a chargeback claim by sending an Authenticated Communication to their Card Issuer challenging a debit on their card statement within 30 calendar days of the statement date, on which the debit first appears. Such claim include:

a. Charges the Cardholder did not authorize.
b. Charges for undelivered goods or services.
c. Charges for goods or services different from what was represented or of the wrong quantity.

Upon receipt of the chargeback claim, the Card Issuer must initiate the chargeback claim within a maximum of one week.

ARTICLE 84
Where a Card Issuer discovers an internal error, or is informed of an error by a Cardholder making a complaint or a claim, then the Card Issuer should refund all other Cardholders who are affected by a similar error. The Card Issuer should issue a notice to all affected Cardholders, advising them of the error and the steps being taken for corrective action, including the amount of the refund to the Cardholders' accounts. This should be completed within 60 Calendar Days of the original error being identified.
SECTION EIGHT

DISPUTE RESOLUTION

ARTICLE 85
Card Issuers must have a comprehensive dispute resolution policy and procedures (also known as complaint handling policy and procedures) and comply with SAMA Regulations for complaint handling departments. A copy of the Card Issuer's complaint handling policy and procedures must clearly be on display in all of their branches and on their websites and they must provide a hard copy to a Cardholder if requested.

ARTICLE 86
The Card Issuer must mail or deliver a response to the Cardholder within 30 Calendar Days of receiving the notice of account statement error/dispute advising the Cardholder of the likely timeframe of resolution of the error/dispute and requesting any additional available information or documentation.

ARTICLE 87
The Credit or Charge Card Issuer shall conduct necessary investigation and comply with the appropriate dispute resolution procedures (as advised to Cardholder) within two complete account statement cycles, but in no case shall be later than 90 Calendar Days as of the date of receiving the notice of “account statement error/disputed transaction. However, on an exceptional basis the Card Issuer is allowed to extend the resolution date up to 180 Calendar Days from the date of receiving notice of “account statement error/disputed transaction” if the Card Issuer confirms and can prove that the account statement error/disputed transaction falls under the purview of and is being pursued in accordance with the rules and Regulatons of the relevant 'Card Association' for the Card.

المادة 85
ينبغي أن يكون لدى الجهات المصدرة للبطاقات سياسة شاملة لتسوية المنازعات (تعرف أيضًا بسياسة وإجراءات معالجة الشكاوى)، وينبغي على الجهات الالتزام بضوابط معالجة وإنشاء إدارات الشكاوى الصادرة عن المؤسسة. كما ينبغي أن يتم إبراز آلية تقديم الشكاوى في فروع الجهة المصدرة وفي مواقعها الإلكترونية وأن يتم تزويد حامل البطاقة بنسخة منها في حال طلبه.

المادة 86
ينبغي على الجهة المصدرة للبطاقة أن ترسل بالبريد أو بوسيلة الكترونية إفادة حامل البطاقة خلال 30 يومًا تقويمياً من تلقي إشعار "خطأ/نزاع" كشف الحساب، وأن يتم تحديد حامل البطاقة بالفترة الزمنية المتوقعة لتسوية النزاع والطلب منه أي مستندات أو معلومات إضافية.

المادة 87
ينبغي على الجهة المصدرة لبطاقة الائتمان أو الحسم الشهري اجراء التحقق المتوجب بما يتناسب مع الإجراءات المناسبة لتسوية النزاع وذلك خلال دورتين كاملتين لكشف الحساب، بما لا يتجاوز فترة 90 يوم من تاريخ استلام الاعتراض. في بعض الحالات الاستثنائية يحق للجهة المصدرة تمديد فترة تسوية النزاع إلى 180 يوم تقويمي من تاريخ استلام الاعتراض في حال اثبتت الحاجة إلى ذلك وبدوره يتم التفاهم مع النظام وتعليمات شركات البطاقات والأنظمة المدنية. 
ARTICLE 88
If the account statement error/disputed transaction has not been Satisfactorily Resolved, the Cardholder shall not be obliged to pay the portion of the required payment that the Cardholder believes is related to the disputed amount, including term Cost or fees. The Card Issuer may not try to collect any amount, term cost or fees related to the account statement error/disputed transaction until the dispute is resolved, in accordance with the rules and regulations.

ARTICLE 89
The Card Issuer shall not make an improper report about the Cardholder’s Credit standing, or report that an amount or account is delinquent prior to the error/disputed being Satisfactorily Resolved. The Cardholder is not required to pay the disputed amount or term cost or fees during the error/disputed resolution process in any event, not earlier than 90 calendar days (180 days for exceptions cases) from the date of the notice of account statement error/disputed.

ARTICLE 90
If the Credit or Charge Card Issuer determines that an account statement error has occurred as stated by the Cardholder, it shall correct the error and pay back any disputed amount and relevant Term Cost and fees debited on the Cardholder’s account and deliver a correction notice to the Cardholder.

ARTICLE 91
If the Credit or Charge Card Issuer determines that a different account statement error other than the one identified in the Cardholder’s notice has occurred, the Card Issuer shall mail or deliver to the Cardholder the card issuer’s reasons for believing that a different account statement error has occurred and the reasons for the belief that the error alleged by the Cardholder is incorrect. The issuer shall correct the error and credit the Cardholder’s account with the correct amount and relevant term cost and fees in accordance with procedures in force.
ARTICLE 92
If the Card Issuer determines that no account statement error has occurred, it shall mail or deliver an explanation of the reasons believing that the error alleged by the Cardholder is incorrect and provide the Cardholder with copies of any documented evidence.

ARTICLE 93
If the Credit or Charge Card Issuer deems that a Cardholder is liable for all or part of the disputed amount and relevant term cost and fees, it must:

a. Notify the Cardholder of the date when payment is due and the portion of the disputed amount and relevant term cost and fees that the Cardholder is liable for.

b. Report to a Licensed Credit Information Bureau that an account or amount is delinquent because the amount due has remained unpaid after the due date given by the Credit or Charge Card Issuer as defined in the terms and conditions of the Cardholder agreement in force, except for any extension or Grace Period provided by the Card Issuer to the Cardholder.

If the Card Issuer determines that no account statement error has occurred, it shall mail or deliver an explanation of the reasons believing that the error alleged by the Cardholder is incorrect and provide the Cardholder with copies of any documented evidence.

If the Credit or Charge Card Issuer deems that a Cardholder is liable for all or part of the disputed amount and relevant term cost and fees, it must:

a. Notify the Cardholder of the date when payment is due and the portion of the disputed amount and relevant term cost and fees that the Cardholder is liable for.

b. Report to a Licensed Credit Information Bureau that an account or amount is delinquent because the amount due has remained unpaid after the due date given by the Credit or Charge Card Issuer as defined in the terms and conditions of the Cardholder agreement in force, except for any extension or Grace Period provided by the Card Issuer to the Cardholder.
### ANNEX 1

**CALCULATION OF THE ANNUAL PERCENTAGE RATE IN CREDIT CARD**

**Annual Percentage Rate (APR)** is the discount rate at which the present value of all payments and installments that are due from the Cardholder, representing the Total Amount Payable by the Cardholder, equals the present value of all payments of the Amount of Credit available to the Cardholder on the date on which the Credit amount or the first payment thereof is available to the Cardholder, in accordance with the following equation:

\[
\sum_{d=1}^{m} C_d (1+X)^{-d} = \sum_{p=1}^{n} B_p (1+X)^{-p}
\]

where:

- \(m\) is the number of the last payment to be received by the Cardholder
- \(d\) is the number of a payment to be received by the Cardholder
- \(C_d\) is the amount of payment \((d)\) to be received by the Cardholder
- \(s_d\) is the period between the date of the first payment to be received by the Cardholder and the date of each subsequent payment to the Cardholder, expressed in years and fractions of year, therefore \(s_1=0\).
- \(n\) is the number of the last repayment or payment of charges due on the Cardholder
- \(p\) is the number of a repayment or a payment of charges due on the Cardholder
- \(B_p\) is the amount of repayment or payment of charges \((p)\) due on the Cardholder
- \(t_p\) is the period between the date of the first payment to be received by the Cardholder and the date of each repayment or payment of charges due on the Cardholder, expressed in years and fractions of year
- \(X\) is the Annual Percentage Rate (APR)

**Assumptions for the calculation of APR**

- For the purpose of calculating APR, periods between dates shall be based on a year of 12 equal months or 365 days a year.
- For the purpose of calculating APR, the Total Amount Payable by the Cardholder shall be determined, including all unavoidable costs and fees with the exception of charges and fees payable by the Cardholder as a result of non-compliance with any of his commitments laid down in the Credit Card Agreement.
- The calculation of the APR must be based on the assumption that the Credit Card Agreement will remain valid for the agreed period and that the Card Issuer and the Cardholder will fulfil their obligations under the terms specified in the Credit Card Agreement.
- If the Credit Card Agreement contains clauses allowing variations in the charges contained in the APR but unquantifiable at the time of calculation, the APR shall be calculated on the assumption that the charges will remain fixed at the initial level and will remain applicable until the end of the Credit Card Agreement.
- For the purpose of calculating advertised APR, the following shall be assumed:
  A) If the ceiling of the credit card has not determined, that ceiling shall assumed to be SAR 10,000;
  B) The total amount of credit shall be deemed to be drawn down in full at the start of day 1.
C) The first year unavoidable fees (e.g. application fee, maintenance fee) shall be determined;
D) The credit is provided for a period of one year; and
E) The credit will be repaid in full in 12 equal monthly payments.

- If the contract contains clauses allowing different ways of drawdown with different charges or Term Cost, the Total Amount of Credit shall be deemed to be drawn down at the highest charge and term cost applied to the most common mechanism.

- If there is a fixed timetable for payment received by the Cardholder but the amount of such payment is flexible, the amount of each payment shall be deemed to be the lowest for which the contract provides.

- If the Credit Card Agreement contains clauses offering charges or term cost for limited period or amount, the term cost and charges shall be deemed to be the highest for the whole duration of the contract.

- The Annual Percentage Rate must be calculated and expressed in percentage points with a minimum of two basis points, and rounding the following decimal place by one point if that place is greater than or equal to 5.
الملحق 1
حساب معدل النسبة السنوي في بطاقات الائتمان

معدل النسبة السنوي (APR): معدل الحسم الذي تكون فيه القيمة الحالية لجميع الدفعات والأقساط المستحقة على حامل البطاقة (التي تمثل إجمالي المبلغ المستحق على حامل البطاقة) مساوية للقيمة الحالية لجميع دفعات الائتمان المتاحة لحامل البطاقة وذلك في التاريخ الذي يكون فيه مبلغ الائتمان متاحًا لحامل البطاقة، طبقًا للمعادلة التالية:

$$\sum_{g=1}^{m} C_g (1+X)^{-g} = \sum_{p=1}^{n} B_p (1+X)^{-p}$$

حيث:

- $m$ : تمثل رقم الدفعة الأخيرة المقرر استلامها من حامل البطاقة.
- $d$ : تمثل رقم الدفعة المقرر استلامها من حامل البطاقة.
- $C_d$ (المقرر استلامها من حامل البطاقة) و$B_p$ (المستحقة على حامل البطاقة).
- $S_d$ : تمثل الفترة ما بين تاريخ دفعية مقرر استلامها من حامل البطاقة وبين تاريخ كل دفعية لاحقة لحامل البطاقة، معبراً عنها بالسنوات وأجزاء السنوات، وبناءً على ذلك فإن $S_1=0$.
- $n$ : تمثل رقم آخر عملية سداد أو دفع المبالغ المستحقة على حامل البطاقة.
- $p$ : تمثل رقم عملية سداد أو دفع مبالغ مستحقة على حامل البطاقة.
- $B_p$ : تمثل مبلغ سداد أو دفع مبالغ (p) المستحقة على حامل البطاقة.
- $X$ : تمثل معدل النسبة السنوي.

افتراضات حساب معدل النسبة السنوي

- لغرض حساب معدل النسبة السنوي، ينبغي أن تحدد الفترات بين التواريخ على أساس سنة مكونة من 12 شهرًا متساويًا أو 365 يومًا في السنة.
- لغرض حساب معدل النسبة السنوي، ينبغي أن يُحسب إجمالي المبالغ المستحقة الدفع على حامل البطاقة، بما في ذلك جميع التكاليف والرسوم غير الاختيارية وباختيارة الرسوم والغرامات المستحقة الدفع على حامل البطاقة نتيجة عدم فائدته أي من التزاماته المنصوص عليها في اتفاقية بطاقة الائتمان.
- ينبغي أن يتم حساب معدل النسبة السنوي على افتراض أن اتفاقية بطاقة الائتمان سيطرت ساريًا طيلة فترة التعاقد وأن جهة إصدار البطاقة وحاملها سيفيان بالالتزاماتهم بموجب الأحكام المحددة في اتفاقية بطاقة الائتمان.
<table>
<thead>
<tr>
<th>إذا احتوت اتفاقية بطاقة الائتمان على بنود تسمح بالتبني في التكاليف المتضمنة في معدل النسبة السنوي ولكن كميتها غير قابلة للقياس وقت إجراء الحساب، يتم حساب معدل النسبة السنوي على افتراض أن الرسوم ستظل ثابتة في المستوى المبديء وستظل سارية حتى نهاية اتفاقية بطاقة الائتمان.</th>
</tr>
</thead>
<tbody>
<tr>
<td>لغرض حساب معدل النسبة السنوي المعلن، ينبغي افتراض التالي:</td>
</tr>
<tr>
<td>(ا) إذا لم يتم تحديد سقف بطاقة الائتمان، يتم افتراض أن هذا السقف هو 10000 ريال سعودي.</td>
</tr>
<tr>
<td>(ب) بعد إجمالي مبلغ الائتمان مسحوبًا بالكامل في بداية اليوم الأول، تُحسب الرسوم السنوية غير الاختيارية (مثل رسوم التقديم بالطلب ورسوم الصيانة وغيرها).</td>
</tr>
<tr>
<td>(ج) يمنح الائتمان لفترة سنة.</td>
</tr>
<tr>
<td>(د) يسد الائتمان كاملاً على 12 دفعة شهريَّة متساوية.</td>
</tr>
<tr>
<td>(ه) إذا احتوت اتفاقية بطاقة الائتمان على بنود تسمح بالتبني في التكاليف المتضمنة في معدل النسبة السنوي ولكن كميتها غير قابلة للقياس وقت إجراء الحساب، يتم حساب معدل النسبة السنوي على افتراض أن الرسوم ستظل ثابتة في المستوى المبديء وستظل سارية حتى نهاية اتفاقية بطاقة الائتمان.</td>
</tr>
<tr>
<td>إذا احتوت اتفاقية بطاقة الائتمان على بنود تضمن تكاليف أو تكلفة أجل محدودة أو مبلغ محدد، تعد تكلفة الأجل والتكاليف هي الأعلى قيمة طويلة فترة سريان الاتفاقية.</td>
</tr>
<tr>
<td>يحسب معدل النسبة السنوي ويُعبر عنه بنقطة مئوية بعد أدنى بساو تطليقي أساس، ويتم تقريب النسبة العشرية التالية بنقطة واحدة إذا كانت تلك النقطة تزيد عن أو تساوي 0.5.</td>
</tr>
</tbody>
</table>
# ANNEX 2

<table>
<thead>
<tr>
<th>Credit Card Issuer Logo</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

## Credit Card Agreement Synopsis

### Credit card holder information

<table>
<thead>
<tr>
<th>Cardholder name</th>
<th>Date of Agreement</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>National ID / Iqama / CR</th>
<th>Agreement reference number</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Credit card information

<table>
<thead>
<tr>
<th>Credit card limit</th>
<th>APR</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Administration fees</th>
<th>Term cost</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual fees</th>
<th>Minimum amount due</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Foreign currency conversion fees</th>
<th>Settlement date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Other fees</th>
<th>Late payment fee</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## The most prominent provisions

- Implications of transactions in foreign currency
- Implications of paying the minimum amount due
- Implications of default
- Implications on cash withdrawals
- Implications of cash transfer

### Credit Card Features

- You will not pay any additional amount when you pay the full outstanding amount in due date.

*Disclaimer:* Reviewing this synopsis shall not substitute reviewing the contract, its appendices, and shall not exempt from the obligations stipulated in the contract.

<table>
<thead>
<tr>
<th>card holder signature</th>
<th>Authorized issuer signature and stamp</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Credit card issuer contact information</th>
</tr>
</thead>
</table>
ملحق 2
شعار الجهة المصدرة لبطاقة الائتمان

ملخص اتفاقية بطاقة الائتمان

معلومات حامل البطاقة

<table>
<thead>
<tr>
<th>اسم حامل البطاقة</th>
<th>رقم الاتفاقية</th>
</tr>
</thead>
<tbody>
<tr>
<td>تاريخ الاتفاقية</td>
<td>رقم السجل المدني أو الإقامة أو السجل التجاري</td>
</tr>
</tbody>
</table>

بيانات بطاقة الائتمان

<table>
<thead>
<tr>
<th>الحد الائتماني للبطاقة (ريال)</th>
<th>الرسوم الإدارية (ريال)</th>
</tr>
</thead>
<tbody>
<tr>
<td>كلمة الأجل</td>
<td>مبلغ الحد الائتماني المستحق</td>
</tr>
<tr>
<td>الرسوم السنوية (ريال)</td>
<td>تاريخ التسوية</td>
</tr>
<tr>
<td>رسوم تحويل العملة الأجنبية</td>
<td>رسوم أخرى</td>
</tr>
<tr>
<td>رسوم السداد المتأخر</td>
<td>رسوم أخرى</td>
</tr>
</tbody>
</table>

أبرز أحكام اتفاقية البطاقة الائتمانية

المادة أو البنود رقم (....) صفحة رقم (....)
لا يتم دفع رسوم إضافية في حال سداد كامل المبلغ المُستحق على البطاقة بتاريخ الاستحقاق.

*تنويه: الاطلاع على هذا الملخص لا يعني أن قراءة كافة محتويات اتفاقية البطاقة الائتمانية وملحقاته ولا يعفي من الالتزامات الواجبة.

توقيع حامل البطاقة بالإطلاع والاستلام

توقيع الشخص المفوض للجهة المصدرة والختم

ملخصات مصدر البطاقة الائتمانية وبيانات الاتصال
### FX Illustration Box

<table>
<thead>
<tr>
<th>Date</th>
<th>Description</th>
<th>Debit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dd/mm/yyyy</td>
<td>Merchant name on dd/mm/yyyy</td>
<td>SAR ?</td>
</tr>
<tr>
<td></td>
<td>Original Currency Amount</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Currency Conversion Rate</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Local Currency Amount</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Other Fees/ Charges</td>
<td></td>
</tr>
<tr>
<td></td>
<td>FX Amount</td>
<td>SAR ?</td>
</tr>
<tr>
<td></td>
<td>FX Amount</td>
<td>SAR ?</td>
</tr>
</tbody>
</table>