

Client and Guarantor Responsibility Booklet

Individuals Sector

Housing Bank for Trade and Finance
Regional Management for Palestine

Protection Manual of Client's Rights

Our valued clients,

In accordance with the PMA's Instructions No. (5) of 2023 regarding market control and protection of client's rights, and the bank's vision to enable and empower clients in protecting their rights, the ability and knowledge to select what is best suited for their needs, enhancing the disclosure policy, and dealing in transparency and fairness with all clients. Hence, this manual was produced by the bank and is made available for your convenience. It provides the rights a client shall be aware of while making financial transactions. Please read it carefully.



Client's Rights:

1. To select any offered products or services that best suit their financial position and fundamental capacities and meet their actual needs.
2. To receive fair treatment from all the bank's staff, marked with integrity, respect, and honesty.
3. Borrowers and/or guarantors need to be aware of the details, types, terms and conditions, methods of interest rate calculations, and direct and/or indirect cost of the credit and to ask for more clarifications from the bank's staff freely.
4. To freely request more clarifications about the obligations and rights for each of the borrowers and guarantors that arise from getting the requested credit facility, including early repayment options in case of paying off the loan before its maturity date.
5. To freely ask the bank's staff to assist in selecting the best suitable banking solutions in terms of conditions and interest rates, in addition to choosing the appropriate product or service according to the awareness publications available at the bank, to protect the client from any excessive borrowing risks which could impact their inability to cover all their obligations either to bank or other parties.
6. To be aware of the interest collected by the bank, understand whether the interest rate is variable or fixed, and understand the difference between both types of calculations, especially in the case of mortgage loans.
7. To receive a printout of the payment schedule that includes the calculated Annual Percentage Rate (APR), which shall be valid for eight business days from the printing date.
8. To obtain a credit/loan in the same currency as the client's income/salary, which will protect them against the risk of price fluctuations.
9. If the credit/loan is secured by household income and guaranteed by either the husband or the wife, both clients have the right to request more information from the bank's staff about the implications of such loan in case of separation. In the case of housing/mortgage loans, it is a condition to register the asset and/or property in both spouse's names to accept their guarantee.
10. If no loan has been received yet and no pledge letter is issued by the bank within the timeframe of granting the loan, the client may revoke or terminate the contract within two business days from the date of signing the contract, during which the client will not be subject to any expenses.
11. The client (borrower and/or guarantor) may not sign any contracts, documents, cheques, receipt acknowledgments, or guarantees without ensuring all related details are written down.
12. The bank must provide the client (borrower and/or guarantor) a sufficient period of time to review all clauses and terms, receive answers to inquiries, and ensure that the client understands their rights and obligations before signing the contract.
13. To receive original and/or certified copies of all contracts and documents signed by the client (borrower and/or guarantor) as well as duplicate copies, even if requested once again at later times.

14. Written approval by the borrower and/or guarantor is required to make any amendment to one or more clauses of the contract, including the process of rescheduling or restructuring, as the case may be.
15. A printout of the Annual Percentage Rate (APR) calculations once the client receives the loan.
16. As a guarantor, signing the loan contract shall be bound by all obligations of the borrower in case they later fail to repay for any reason whatsoever (such as loss of income source and death of borrower, forgery, or fraud).
17. The guarantee shall remain valid until the full payment of the loan.
18. The credit rating of the guarantor and their access to facilities from other banks and financial institutions will be adversely impacted due to the borrower's default.
19. To verify that all pages of the loan contract and its related documents are signed by the borrower and guarantor.
20. Borrower and guarantor will be provided with a summary of the credit profile with acknowledgment of receipt.
21. If requested by the borrower, a "certificate of clearance" will be provided free of charge for one time upon the full payment of their credit/loan. This certificate shall be provided within a maximum of three business days from the date of request.
22. In case of borrower's default, they will be notified for the initiation of legal actions on collaterals.
23. If the borrower defaults, a written or online notice should be served during a maximum period of thirty days from such violation. Such notice should indicate that the guarantor's accounts will be used for repayment of the outstanding balances, and legal actions might occur.
24. No "early payment" commission shall be paid by the client if the reason for early payment is due to an increase in interest rates, given that the increase is more than 2% of the interest rate on the date of signing the original loan contract.
25. In case of borrower's default, the outstanding installment(s) will be collected from the guarantor either on an equal or proportionate basis; in any case, the discounted amounts shall not exceed 50% of total transferred incomes.
26. The bank must notify the client about the risks of inaccurate disclosure of their health conditions and its impact on the insurance policy obligations.
27. The bank must provide its clients, upon their prior request, with their own credit reports extracted from the Credit Reporting System and shall be officially stamped. Any objection to these reports can only be made at the bank's branches and offices in compliance with the effective instructions.
28. In case of payment deferral, a written request by the client and approved by the guarantor must be submitted, provided that the client shall be aware of the additional costs thereon.

29. The client may demand a statement of account transaction report that clearly reflects all deposits and payments, including the loan repayment schedule, paid-off and outstanding installments.
30. The guarantor shall be aware of the legal and economic implications arising from their guarantee.
31. The bank must inform the client in case of any increase or decrease in interest rates.
32. The client may, based on their request, make loan restructuring or rescheduling in agreement with the bank in case of increased interest rate or if the amount of installment exceeds 50% of income. A new payment schedule can be agreed upon. In this case, the bank may extend the loan term by a maximum of twenty-four months of the original term.
33. The client is entitled to be aware of indicators used in pricing as well as their differences.





Housing Bank Palestine



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