

What is a credit card?

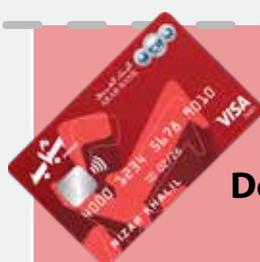
A credit card is a banking card that you use to pay at stores and online shops.

But where does that money that you use to pay come from?

Well, the bank lends it to you within an interest rates, but you have to repay that money within the settlement due date. If you repay it after the due dates then you'll be charged late payment fee.



Know the difference between debit and credit cards:



Debit card



Credit card

	Debit card	Credit card
Source of Money	Your money (From your bank a account balance)	Bank's money (Borrowed money)
Card Limit	Associated with your bank account (available balance)	The amount is provided to you by the bank
Repayment Requirement	No repayment required	Amount due, is the repayment percentage multiplied by the used balance
interest & Penalty	<p>1- Interest : for debit there is no interest and for credit there is interest on all repayment options except for the 100% repayment option</p> <p>2- Commission: for debit there is no commission and for credit there is late payment fees and any other fees that might apply</p>	Interest for repayment option (except the 100% repayment option & late payment fee if you did not do the repayment on time)
Credit History	Does not impact credit score	Over dues, non-payment & dues settlement can impact your credit history
Rewards	<p>Discounts</p> <p>Less cashback offers</p> <p>Less loyalty points</p>	<p>More discount</p> <p>More loyalty points</p> <p>More cashback offers</p>

What are the repayment options for credit card?

5%(if you issued a card with 500 JOD and did a purchase of 500 JOD, then on settlement date, the due amount will be 5% of the 500 JOD, which is 25 JOD.

5%

500
JOD

25%

500
JOD

25%(if you issued a card with 500 JOD and did a purchase of 500 JOD then on settlement date, the due amount will be 25% of the 500 JOD, which is 125 JOD.

50% if you issued a card with 100 JOD and did a purchase of 500 then on settlement date, then the due amount will be 50% of the 500 JOD, which is 250 JOD.

50%

500
JOD

100%

500
JOD

100% (if you issued a card with 500 JOD and did a purchase of 500 then on settlement date, then the due amount will be 100% of the 500 JOD, which is 500 JOD.

How much interest and commission do you get charged on the credit card?

Make sure to change the repayment option before the statement issuance as the change will not take effect after the statement issuance due date.

If you choose the other repayment options (25%, 5%, 50%) interest will be charged on the remaining of the used amount.

Another trick for you is to plan ahead and make sure to select the right repayment option before using the cards on a monthly basis. For example, if you know that for the next month you will not have enough money to choose the 100% repayment option, then make sure to select the suitable repayment option on "Arabi Mobile" app which are: 50%, 25%, 5%, the remaining of the used amount so in this case of choosing the other repayment options, an interest rate will be charged on the borrowed amount.

To be qualified for a future lending from Arab Bank or any other bank such as (Personal Loan, Housing Loan, Auto Loan.. etc.), you need to have good credit history and if you did not pay your installments on time, you might not be eligible for lending in the future.

Make sure you use your credit card smartly when paying at different shops to gain points, benefit from our various offers and get cashback on your purchases.



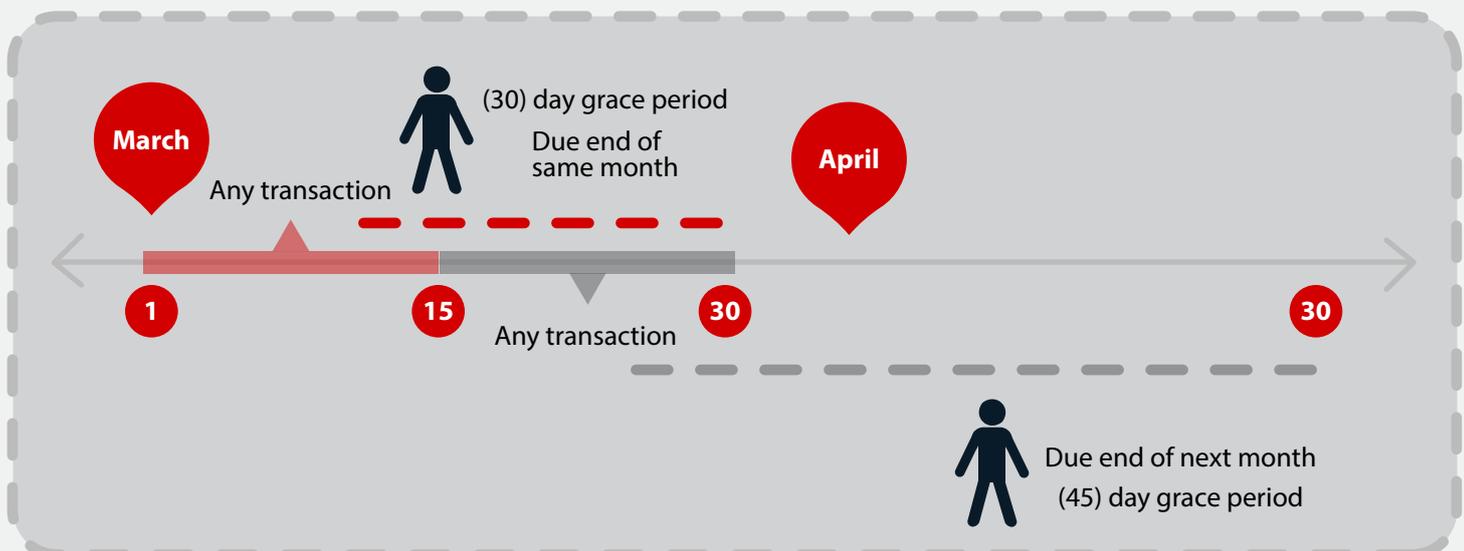
Cash withdrawal from the credit card:

The customer pays 4% fees on the amount withdrawn, with a minimum of 4 JOD, therefore, it is advised not to use the credit card for cash withdrawal.

Tip: Always use your credit card in a smart way by paying with it to earn reward points and take advantage of our cashback offers rather than cash withdrawals.

How long do I have until it is time to pay back the bank?

Normally if you used your credit card to purchase after the 15th of the month, you get up to 45 days where you will not be charged an extra fees but if you did the purchase before the 15th of the month, then you will need to do the repayment at the end of the same month. If the repayment due date is missed, you'll be charged late payment fees.



Well, what if I cannot repay the money?

In this case, the amount borrowed on the credit card will continue to increase due to the interest and fees on the late payment. This would also negatively affect your credit score on your credit report in the future.

That's not good. Can anything be done in this situation to help make it better?

Yes, you can repay the borrowed amount with the interests incurred in full, and continue paying in future due dates for the amounts borrowed on the credit card.

It is possible to contact the Customer Care Center to assist you or direct you to the specialized department to find an appropriate solution for your repayment plan.

Always always make sure to update your data (KYC) with the bank (specially your phone number) so that the specialized department in the bank can communicate with you to help you find the appropriate payment mechanism for you.



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The examples shown are for guidance only.
The terms and conditions apply to the bank's credit policy.