

2. Definitions

- 2.1. "Travel Account" means the account opened by Diners Club for The Company in order to enable The Company to obtain credit facilities and other service benefits.
- 2.2. "Diners Club Card" means the plastic card, which bears information about the Travel Account.
- 2.3. "Authorized Signature" means the signature authorized by The Company for Travel Account management.
- 2.4. "Authorized Travel Agent" any Authorized Travel Agency registered as such in Saudi Arabia, sells air tickets for and on behalf of an airline that accepts Diners Club card or a method of payment based on an Agreements entered into with Diners Club International Ltd, Chicago, USA.
- 2.5. "Payment Voucher" means the voucher provided to an Authorized Travel Agent by Diners Club for registration of transactions paid by Diners Club Card.
- 2.6. "UCCF" means the Universal Credit Charge Form utilized for the purpose of documenting ticket purchase transactions paid by Diners Club Card with respect to any Company operations in the field of air transport, provided, that it is a Company of IATA Organization.
- 2.7. "Purchase Order" means the order for purchase of tickets or boarding order issued by The Company to the authorized Travel Agent for purchase of tickets from any airlines.
- 2.8. "Payable Amount" means the amount contained in the Travel Account statement issued by Diners Club.
- 2.9. "Statement Date" means the date stipulated in the Travel Account statement issued by Diners Club.
- 2.10. "Payment Due Date" means the date contained in Diners Club Account statement issued by Diners Club.
- 2.11. "Total Credit Facility Amount" is the maximum sum of billed transactions value, processed unbilled transactions value and authorized transactions value. It equals the amount mentioned in *Appendix (A)* of this agreement.
- 2.12. "Current Credit Facility Amount" is the actual present sum of billed transactions value, processed unbilled transactions value and authorized transactions value. It equals the total or part of the amount mentioned in *Appendix (A)* of this agreement.

3. Company Representations, Warranties, Undertakings and Obligations

- 3.1. The Company confirms its eligibility to enter into this Agreement and confirms eligibility of its official status to conclude such with Diners Club.
- 3.2. The Company warrants that the details contained in this Agreement, is true, correct and complete. We authorize Diners Club to scrutinize the facts as it deems to be appropriate and necessary. We understand that all information obtained by Diners Club will be dealt with confidentiality.
- 3.3. The Company represents that it had provided Diners Club the following documents, and warrants that these documents are either originals or true copies of the originals:
 - 3.3.1. The Company Information Form duly completed.
 - 3.3.2. Copy of The Company's Commercial Registration
 - ~~3.3.3. Audited copy of The Company's Financial Statements for the last (2) two years. _____~~
 - 3.3.4. Purchase Order Authorized Signatories Form.
 - 3.3.5. Board of Directors / General Assembly Resolution nominating and authorizing The Company's official individual to enter for and on behalf of The Company into this agreement with Diners Club, or an equivalent document showing the company's official individual or previously entered into a similar agreement for and on behalf of the company.
 - 3.3.6. Promissory Note as acceptable to Diners Club. _____
 - 3.3.7. Guarantee Certificate as acceptable to Diners Club. _____

- 3.3.8. Copy of last three (3) months statement of company's current operations bank account.
- 3.3.9. All other documents and/or guarantees that may be required by Diners Club within the validity of this agreement.
- 3.4. The Company undertakes to use Purchase Orders printed on The Company's official letterhead or on those provided for by The Authorized Travel Agent.
- 3.5. The Company will appoint whomsoever it deems to be appropriate as per contents of the form titled (purchase order Authorized Signatories) enclosed herewith as *Appendix (B)*. Signatories on such form may approve Purchase Orders, issued by The Company, to the Authorized Travel Agent. This will be considered a genuine document, which proves validity of the purchase order beyond any doubt.
- 3.6. The Company is obligated to pay all the debts including the principal debit and the charges specified in *Appendix (A)* Related Charges.
- 3.7. The Company undertakes to pay Diners Club service charges specified by Diners Club calculated based on *Appendix (A)* in line with the ratified basis against the use of Travel Account. These charges will be dealt with as debt. Diners Club may modify these charges and inform The Company about the modified charges according to The Company performance in the usage and payment.
- 3.8. The Company undertakes to pay all charges payable by The Company until a complete payment of all debit amount and attached dues are made.
- 3.9. The Company undertakes that the UCCF and/or TAAR report are considered as sufficient proofs of sale according to which Authorized Travel Agent as per date of TAAR report.
- 3.10. The Company undertakes that Diners Club Financial Books and Documents are considered to be the only true evidence to the correctness of the amounts entitled to be paid by The Company for Diners Club. Such Statements shall be considered as correct, final and irrevocable.
- 3.11. Settlement shall be subject to all rules ratified in this Agreement, *Clause # 9* here under.
- 3.12. Should The Company do not protest on the statement during a period as specified in *Appendix (A)* from the statement date, it shall be considered as a final approval on the provisions contained thereon and may not divert for any reason whatsoever.
- 3.13. Further, The Company shall not make an excuse for delay or irregular dispatch of the statement of account for the month, because it should request Diners Club for statements in a period as specified in *Appendix (A)* upon issuance of statement.
- 3.14. If Diners Club revokes the service or reduces the total credit facility prior to Due Date, then the debit or the debit exceeding the reduced level shall be considered payable by The Company to Diners Club upon claim.
- 3.15. The Company may not relinquish to others the Travel Account or any other privileges arising thereof partially or totally.
- 3.16. The Company warrants that it shall use the Travel Account Service in good faith and according to this Agreement. It also warrants that in case it becomes aware of any misuse by its officer or Authorized Travel agent that it shall immediately notify Diners Club.
- 3.17. The Company undertakes to bear any cost resulting from any fraudulent act on these signatures.
- 3.18. If the Company disputed a transaction, The Company undertakes to bear any costs associated from a transaction that was proven to be correct, Diners Club shall charge The Company the dispute charges as indicated in *Appendix (A)*.

4. Diners Club Representation, Warranties, Undertakings and Obligations

- 4.1. Diners Club confirms its eligibility to enter into this Agreement and confirms its eligibility of its official status to conclude such with The Company.

- 4.2. Diners Club represents the operations of this account are limited only to the operation of air ticket purchases by The Company.
- 4.3. Diners Club represents that using Diners Club Card for purchase of travel tickets shall not commit Diners Club to carry any responsibility concerning the quality of service provided or the ticket price or any similar services. Diners Club shall not be obliged to settle any dispute that may arise between Authorized Travel Agent and any Airline concerning these tickets based on actual usage.
- 4.4. Diners Club shall grant The Company up to the Total Credit Facility as defined.
- 4.5. In the event the total Company usage of the Travel Agreement service reaches (80%) eighty percent of the Total Credit Facility Amount, Diners Club undertakes that it shall write to The Company informing the same of such event and request The Company to communicate back to Diners Club whether The Company wishes to take one of the following actions:
 - 4.5.1. Affect an early payment to reduce the Current Credit Facility.
 - 4.5.2. Request Diners Club to increase the Total Credit Facility Amount and express willingness to provide any additional documents up to the satisfaction of Diners Club to accept The Company's request to increase such Total Credit Facility Amount.
- 4.6. Diners Club shall issue a plastic card bearing information about the Travel Account and deliver the same to the Authorized Travel Agent.
- 4.7. Subject to due performance by the Authorized Travel Agent for its obligations under its Agreement with Diners Club. Diners Club shall assume the responsibility of the Authorized Travel Agent to pay to each Airline directly, in accordance with Agreements between Diners Club International, Chicago, USA and each Airline, the net amounts due thereto in respect of authorized purchases of Airline Travel Tickets by The Company using the Travel Account;
- 4.8. To provide or cause the Airline to deliver to the Authorized Travel Agent Head Office the appropriate quantity of blank UCCF's with one or more imprints for each of Authorized Travel Agent Branches.
- 4.9. Where appropriate, to provide training to Authorized Travel Agent's personnel in operating the Travel Account System.
- 4.10. To invoice The Company on a monthly basis for all amounts due to Diners Club in respect of authorized purchases of Airline Travel Tickets or other services purchased by such Company using its Travel Account.
- 4.11. To show as credits on The Company's invoice amounts due to The Company in respect of credit notes issued by Authorized Travel Agent for refunds in favor of The Company.
- 4.12. To keep models of these signatures in the list of the authorized signatories or as pictured in *Appendix (C)*.
- 4.13. Diners Club represents that it shall immediately report any misuse that it becomes aware of to the Travel Account Service by either The Company or the Authorized Travel Agent, IATA and the airline that has a General Sales Agreement with such Authorized Travel Agency and immediately suspend the usage of such Travel Account Service.

5. The Company Rights

- 5.1. The Company has the right to use the Travel Account with the Authorized Travel Agent by utilizing the credit facility provided by Diners Club. The Company has the right to enjoy all benefits related to the Travel Account in line with the document titled (User Guide of Travel Account Service) such document may be provided by Diners Club to The Company, based on Diners Club discretion.
- 5.2. The Company has the right to ask for a review of the Total Credit Facility Amount anytime. Any guarantees or provisions that Diners Club deems to be essential to increase shall be identified.
- 5.3. The Company has the right to object in writing during the period as specified in *Appendix (A)* herein against any transaction included in the Travel Account statement. Meantime, justifications

should be given for such objection. If it sees fit, Diners Club shall reverse the concerned transaction during twenty-four (24) hours upon receipt of the written objection. Action shall be taken to investigate the subject objection. If proven that the transaction was correct, Diners shall record the transaction again on The Company's Travel Account. Additional fees shall be imposed as may be determined by Diners in accordance with the approved rules.

- 5.4. The Company is obligated to nominate two(2) accounts payable officers to manage this Travel Account Service and to handle any Diners Club inquires, such officers are nominated in *Appendix (A)*

6. Diners Club Rights

- 6.1. In case The Company opts to use other currencies aside from Saudi Riyals, Diners Club has the right to transfer such operations to Saudi Riyals by applying the prevailing currency rate at the time Diners Club receive the transaction, added to such currency transfer charges, specified as per rules ratified by Diners Club.
- 6.2. Diners Club Card is not transferable. It can be retrieved without any need to mention the reasons at any time as Diners Club demand.
- 6.3. Diners Club has the right, at any time and upon its complete discretion, to ask The Company for additional documents and/or guarantees. Diners Club also has the right to terminate this Agreement 30 days after such requirement was communicated to The Company and The Company did not satisfy the same.

7. Pricing

- 7.1. An application fee as specified in *Appendix (A)* shall be charged to The Company Account once only.
- 7.2. An annual Company membership fee as specified in *Appendix (A)* shall be charged to Company Account.

8. Payment Terms

- 8.1. Diners Club shall send to The Company's latest address reported in writing, a statement showing movement of the Travel Account during the Billing Period. The statement covers such billing period as specified in *Appendix (A)*.
- 8.2. Statements are sent to The Company before the end of each month through mail.
- 8.3. Diners Club shall specify the Free Grace Period and the Payment Due Date to equal a specified number of days as in *Appendix (A)* after the statement date.
- 8.4. The Company shall pay their outstanding dues by one of the following:
 - 8.4.1. Check delivered to Diners Club.
 - 8.4.2. Direct Debit Mandate from Company Account.
 - 8.4.3. Direct Payment to Diners Club Bank Account in Riyadh Bank A/C Number 1021400149901 and notifying Diners Club by fax with the transfer (Draft Form Payment Notice executed from a bank).
- 8.5. Diners Club shall deduct from The Company's paid amount, in order to pay up each transaction separately, according to the following order:
 - 8.5.1. Any payable service fees shall be paid firstly.
 - 8.5.2. All fixed fees such as membership fees and other similar fees shall be paid secondly.
 - 8.5.3. Any cash advance transactions, if applicable, shall be paid thirdly.
 - 8.5.4. The common sales transactions, the oldest first and then the nearest.
 - 8.5.5. Any other transactions shall be paid afterwards.
- 8.6. If the payment is for all the (Due Amount) in the relative column appearing in the statement of account is received by Diners Club before Five O'clock (5PM) in the afternoon of the day prior to the (Due Date) as mentioned in the statement of account, all the transactions (irrespective of its kinds) shall be paid off.

- 8.7. If the payment is partial or if it is made after the said hour and date stated above, a service fee shall be applied, because of the partial or delayed payment.
- 8.8. Such Service Fee is based on a Service Fee Rate, as mentioned in Appendix (A) for balances. However, Diners Club is not obligated to provide detailed calculation of the service fee.
- 8.9. The Company also undertakes to pay Diners Club, upon first request, all expenses relevant to this service provided by Diners Club for The Company including various fees, judicial expenses, lawyers' fees and other expenses.
- 8.10. Diners Club has the right of reducing the Total Credit Facility level mentioned in this Agreement in case of delay of payment. Diners Club shall inform The Company in writing of such action.
- 8.11. Any failure of The Company to fully settle the Due Amount on the Due Date, Diners Club may add delay charges in accordance with the ratified regulations stipulated.

9. Company Events of Defaults and Remedies to Diners Club

- 9.1. Should The Company fail to make payment on time, Diners Club has the right to take immediate measures without a prior notice to The Company as follows:
- 9.2. Diners Club will take possession of any amount belonging to The Company, which reaches to it from any source through any means. Such amount shall be considered as amount paid for the Travel Account in settlement of The Company's debt or part thereof.
- 9.3. Diners Club shall take possession of commercial notice such orders, promissory notes, checks, guarantees, or bonds belonging to The Company. This shall be considered as an amount paid for the Travel Account in settlement of The Company's debt or part thereof.
- 9.4. Diners shall make a demand for The Company to pay the unpaid balance debt after having taken the above mentioned procedures. In addition, Diners Club shall sue The Company and its officials to recover entitlements. Diners Club shall reserve its rights to take further action to ensure recovery of its entitlements from The Company.

10. Notices

- 10.1. Correspondence between Diners Club and The Company in the Travel Account shall be made through the latest address reported in writing to the other party. Until such addresses are communicated by/to each party, the following address shall be used:-
- 10.1.1.
- | | |
|----------------|--------------------------------------|
| Attention | : Customer Relations Manager |
| Company | : Diners Club, The Card Company E.C. |
| Address | : PO Box 7684, Jeddah 21472, KSA |
| Telephone No. | : 966 2 6520020 |
| Fax No. | : 966 2 6520040 |
| | |
| Attention Name | : Samy Samuel A. Al -Malak |
| Title | : Finance Manager |
| Company | : Al Hussaini Trading Co. |
| Address | : PO Box 9083, Jeddah 21413 |
| Tel | : 02 6526000 |
| Fax | : 02 6526606 |
- 10.2. Statements dispatched by Diners Club to The Company on that address should be considered delivered to The Company. The same applies on dispatch of notices or mail correspondence.
- 10.3. Fax messages shall only be considered from date of presenting copy of the fax signed by the recipient unless both parties agree otherwise.
- 10.4. Notices and correspondence released by The Company shall be signed or only persons authorized by The Company acceptable to Diners Club.

11. Amendments

Unless another time period is applicable by virtue of some other clause in this Agreement or unless agreed otherwise between the

Parties, Diners Club shall be entitled to alter and amend any of the term and conditions of the Agreement on giving to Authorized Travel Agent (3) three months of notice in writing.

12. Force Majeure

- 12.1. The duties and obligations of each Party hereunder will be immediately suspended in the event that a Party declares an event of Force Majeure, which shall mean any event or circumstance beyond the reasonable control of that Party which prevents that Party from further performance of its obligations hereunder. If Force Majeure applies in respect of a Party's partial duties or obligations, it shall not suspend performance of others hereunder. In the event that a substantial part of such duties or responsibilities remain affected by Force Majeure for a continuous period of three (3) months or more, either Party shall be at liberty to terminate this Agreement by giving thirty (30) days prior written notice to the other, provided that such termination shall be made without prejudice to any rights and obligations which shall have accrued due prior thereto.
- 12.2. Notwithstanding Clause 12-1 hereof, such notice shall be by fax confirmed by fax acknowledgment of receipt and, with effect from the date that such notice is actually received, each Party shall be relieved of liability to the other Party for further performance of affected obligations until cessation of the event of Force Majeure.
- 12.3. Upon cessation of such event of Force Majeure, the Party suffering therefrom shall give fax notice of the fact to the other and with effect from the date such notice is received, both Parties shall be liable to resume performance of all their obligations under this Agreement. Both Parties will adopt in good faith such additional practical arrangements as may be necessary to enable resumption of the performance of their obligations as soon as is practically feasible.

13. Term & Termination

- 13.1. The first term of this Agreement is three (3) Gregorian years; the first year begins from the date of signing this Agreement and renewed automatically for a new Gregorian year, thereafter unless one of the parties notifies the other of his intention of terminating the Agreement.
- 13.2. Concerning Clause # 12 herein above, any contradiction between it and the other clauses of this Agreement shall be dealt with by applying the Agreement's clauses.
- 13.3. This agreement shall be terminated by either party by a thirty (30) days notice in writing.

14. Others

- 14.1. Any form or document mentioned in this agreement in addition to any other documents submitted by The Company to Diners Club shall be considered an integral part of this Agreement.
- 14.2. In case any such form or document contradicts with this agreement, this Agreement shall prevail.
- 14.3. This agreement is prepared in English and Arabic. In case of contradiction, the English version shall prevail.

15. Arbitration And Jurisdiction

- 15.1. Subject to all final consent of the Parties hereto, in the event that there is any disagreement between the Parties relating to the terms hereof, then both Parties shall use their best endeavors to resolve such dispute as soon as possible and failing such resolution and in any event within thirty (30) days from the date of commencement of the disagreement such disagreement shall be resolved following the arbitration procedures set by the Jeddah Chamber of Commerce. Such arbitration will take place in Jeddah, Saudi Arabia.
- 15.2. The interpretation and execution of this Agreement clauses shall be in conformity with the Saudi or Bahraini laws and regulations. Any dispute/s arising thereof will be resolved by the concerned legal Saudi or Bahraini committees.

**APPENDIX (B)
PURCHASE ORDER AUTHORIZED SIGNATORIES**

To: The Risk Control Unit Officer
Finance & Investment Department
The Card Company E.C.
Jeddah Saudi Arabia

cc: The Manager
(Authorized Travel Agent Name)

We are providing you hereunder, signatures of 3 of our Company Staff who are authorized to make Purchase Orders issued by us in compliance with the signed Diners Club Credit Facility Agreement.

Company Name:

Diners Club Travel Account No.

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Purchase Order Authorized Corporate Specimen Signatures:

	Name	Position	Signature
1.	/	/	/.....
2.	/	/	/.....
3.	/	/	/.....

Signed on behalf of The Company by its duly authorized signatory.

Name: _____ Position: _____

DateSignature.....

The Company / Seal

Chamber of Commerce Attestation

APPENDIX (C)
AUTHORISED TRAVEL AGENCY AUTHORIZED SIGNATORIES ON THE UCCF

To The Risk Control Unit Officer
 Finance & Investment Department
 The Card Company E.C.
 Jeddah Saudi Arabia

Please find hereunder specimen signatures of (4) Four of our Staff members. These signatures are authorized to sign on the "UCCF" for and on behalf of (Arabian Stores Co. Ltd.) owning the Travel Account in compliance with The Credit Facility agreement and the Travel Account Agreement.

Travel Agency Name:

Travel Account No.

UCCF Authorized Travel Agent Specimen Signature

Name	Position	Signature
1.	/	/
2.	/	/
3.	/	/
4.	/	/

Signed on behalf of The Travel Agent by its duly authorized signatory.

Name:Position

DateSignature.....

The Company / Seal

Chamber of Commerce Attestation