

Accounts Terms and Conditions

Terms and Conditions

FIRST: GENERAL TERMS AND CONDITIONS FOR ALL TYPES OF ACCOUNTS:

Individual Accounts: are accounts opened for natural Kuwaiti resident and expatriate individuals, of 21 years of age, having full legal capacity, excluding Savings Accounts for Children and College and University Students (Children/ Youth).

1. The customer acknowledges being aware that in the event of opening an account in his/her name, the Bank shall open a CIF file containing this account and any other accounts opened later.
2. Individual accounts are personal accounts and cannot be used for a third party or for purpose other than specified. In the event of breach, or if used for commercial purposes, the Bank shall have the right to close these accounts and transfer their balances to suspense accounts with the Bank, without the customer's approval or prior notice of account closure. In case the Bank receives cheques after the closing of the account, the Bank shall have the right to cash such cheques from the balance of the customer's suspense account. Otherwise, the Bank shall have the right to stamp the cheque with «Closed Account», or «Refer to Drawer», without any liability on the part of the Bank.
3. Upon applying for opening any type of account, the customer shall deposit the minimum prescribed by the Bank for any of them, so as to activate the account.
4. All the customer's accounts and deposits in terms of cash, commercial papers and securities, precious metals, bills of lading, storage certificates, shipping documents and merchandise, subscription rights and others shall be deemed pledged under possessory lien to the Bank's favor to secure the fulfillment of all the customer's obligations towards the Bank, with no objection from customer's side.
5. The customer declares, in respect of the account opened in his name that he is the beneficiary of the account, and the partners of the joint account shall declare that they are the beneficiaries of such account. However, in respect of the accounts opened on behalf of others, the account opener declares that the beneficiary of such account is the person whose name is mentioned in the application form for opening accounts and his delegation on behalf of the beneficiary is correct, true and valid.
6. The customer declares and accepts that the Bank shall have the right to obtain the information recorded in his civil ID card and his work address at any time, from the Public Authority for Civil Information (PACI), and without any responsibility on the Bank or PACI. The customer also agrees and authorizes the Bank and the Credit Information Network Company KSCC (Ci-Net) to exchange the information pertaining to him in respect of consumer and installment loans between banks and investment companies supervised by the Central Bank of Kuwait and all the commercial companies and establishments that are subscribers to the data & information collection system prescribed as per Law No. 2 of 2001, without any responsibility on the part of the Bank and Ci-Net.
7. The specimen signature of the customer at the Bank shall be recognized in all other dealings in respect of his accounts which are currently opened or to be opened in the future with the Bank, inclusive of any other accounts to be opened through Gulf Bank online service, unless the Bank receives from the customer written instructions to the contrary, acceptable to the Bank as per applicable regulations. The customer declares that any additional subaccounts to be opened at any time shall be subject to the current terms and conditions governing accounts and any amendments thereto.
8. The Bank shall carefully validate the signature of its customers and their authorized signatories on all banking transactions, and carefully verify them against the approved specimen signatures at the Bank. Neither the Bank nor any of its employees shall be held liable for any fraudulent transactions that can be detected only by high-tech devices and by competent authority.
9. The customer's address specified in the application shall be the elected domicile used for any correspondence or notifications sent to him from the Bank, unless the Bank receives a written notice from the customer of his new address. In the event that such correspondence is returned to the Bank for incorrect address or for absence of the customer thereat, or for any other reasons, the Bank shall have the right to stop sending any letters or correspondence to the customer, including the statements of account, without any responsibility that may arise on the part of the Bank, unless the customer notifies the Bank of another address for correspondence.
10. The Bank shall have the right, at any time, to amend these terms and conditions as well as the special terms and conditions of any type of accounts, without the need to obtain the customer's consent. New terms and conditions shall apply to all the accounts opened from the effective date thereof, and shall be notified by the means deemed suitable by the Bank without any objection from the customer.
11. The Bank shall charge a fee if the balance in the account falls below the required minimum prescribed by the Bank any time during the month at the Bank's discretion with no objection from customer's side in the event of CBK approval thereon.

12. The account shall be considered dormant in the event of the absence of activity on the account (deposit or withdrawal) for 12 consecutive months. In such case, the Bank shall notify the customer by mail, requesting him to refer to his branch to activate the account. The customer hereby authorizes the Bank to re-activate his dormant account in accordance with the Bank's decision in this respect. If the account continues to be dormant for over 15 years from the date of last transaction thereon, the Bank shall close it and transfer its balance in accordance with applicable procedures.
13. The Bank shall have the right to execute the customer's instructions, or abstain from executing them, in the event where such instructions violate the law or the resolutions issued by the Central Bank of Kuwait, or the terms and conditions of this application. Furthermore, the customer hereby irrevocably authorizes the Bank to receive any amounts to his favor and credit such amounts to his account or a suspense account, and to return the same to their source, as necessary, without any responsibility on the part of the Bank.
14. If the customer in the process of obtaining his Kuwaiti residence permit at the time of account opening, he undertakes to provide copy of his civil ID to the bank once received and view of original no later than six (6) months from the date of account opening. Otherwise, the Bank reserves the right to take suitable action or close the account.
15. The customer accepts the Bank's procedures regarding anti-money laundering, and the application of the relevant laws of the State of Kuwait and CBK relevant instructions. The customer undertakes to provide the Bank with any documents to be requested from him in the context of compliance with such laws and regulations.

SECOND - SPECIAL TERMS & CONDITIONS

Current and Salary Accounts:

1. Withdrawals from the account shall be made by using the cheques prepared by the Bank and which are delivered to the customer upon his request, or by any other withdrawal document complying with the legal conditions acceptable to the Bank. Also, withdrawals shall be made by the ATM card or any other credit cards in accordance with the terms and conditions relating thereto, in addition to cash withdrawal from the account.
2. The Bank may refrain from disbursing any cash amounts, transfers, or cheques drawn on the account, or otherwise, from the amounts credited to the account under cheques for collection but not actually collected from the drawee banks. The amounts of such cheques shall not be considered within the disburseable balance of the account.
3. The customer absolutely and finally declares to abide by the instructions of CBK relating to closing his account and listing his name in the list of customers whose accounts have been closed because of returned cheques, drawn on their accounts for insufficient funds, if such cheques have been returned to the customer, not exceeding three cheques during one year as a result of insufficient funds, and also declares his prior consent to any other actions taken by the Bank in this respect. The Bank, at its absolute discretion, may open in the name of the customer another account without cheques to replace the account which has been closed with notice to the customer in the event of any debt due to the Bank from the customer. The customer shall bear all the legal responsibilities resulting from issuing such cheques and without having the right of recourse against the Bank because of closing his account or listing his name in the aforesaid list or because of any of the actions taken by the Bank in execution of CBK instructions in this respect.
4. For stopping payment of standing orders and cheques, the customer must issue written instructions provided this instruction is delivered prior to actual payment, and the Bank shall not be otherwise held liable nor responsible.
5. The Bank shall have the right to accept or reject payment of the cheques drawn on the customer's account in a currency other than the currency of the account. The equivalent amount shall be deducted on the basis of the exchange rate applied by the Bank on the payment day. The account holder shall assume the differences of changes in the currency exchange rate between the dates of cheque issuance and payment.
6. The Bank shall have the right to calculate interest on the debit balance of the current account on a daily basis and record it at the end of March, June, September, and December each year till the settlement of the total amount according to CBK interest rates as a maximum.
7. When the debit current account is closed, the interest shall be applied, as a maximum, according to the rates declared by CBK, up to full settlement.
8. In case of salary account, the customer shall submit a Salary Certificate issued by his Employer, in addition to a Salary Continuation Certificate when requested and required under the terms of the account opening. Otherwise, the Bank has the right to close the account due to customer's failure to comply with one of the terms of account opening.

Savings and E-Savings Accounts:

1. If one withdrawal or transfer transaction is made on the e-savings account, no interest shall be paid for the month during which the transaction took place.
2. The savings account is dedicated for deposit and withdrawal of amounts other than those collected from a business activity. The customer shall not have the right to transfer his salary to the savings account or deposit amounts collected from a business activity.
3. The Bank shall issue a statement of account in accordance with the Bank's applicable regulations. Such statement shall be subject to the provisions of paragraph (9) of Clause «FIRST: GENERAL TERMS AND CONDITIONS FOR ALL TYPES OF ACCOUNTS».
4. Withdrawals shall be made from the account, whether cash or through ATM cards or any other means provided by the Bank in accordance with the Bank's applicable regulations. Withdrawal from the account by cheques may not take place.

Al Danah Account:

It is an account on which draws for financial prizes are made. It is a non-interest bearing account. Cheque books are not issued on this account. It is opened upon the request of the natural Kuwaiti, resident individuals (by virtue of a valid residency) and GCC Citizens not resident in Kuwait (not holding a Kuwaiti civil identification) and according to the following terms and conditions:

1. Al Danah account can be opened at the Bank's branch or through Gulf Bank Telebanking service or Online Banking (for existing customers) by depositing a minimum of KD200 in Al Danah account.
2. Only individual type of customer accounts is eligible to enter Al Danah draw. The customer is not eligible to enter Al Danah draws in the following cases:
 - If the customer closes his account before the draw date (excluding daily draws).
 - If the balance on any day between the start cutoff date and the end cutoff date falls below KD200.
 - If there is a legal attachment and/or freeze on the account and/or amount based on a judiciary or regulatory judgment or order, or upon the Bank's request, or any other justified reason.
 - An alternate winner will be selected if the winner's Danah account is closed (quarterly & yearly draws only) or any of the winner's accounts with the Bank has a hold for legal reasons.
3. Al Danah draws run Daily, Quarterly and Yearly:
 - Daily draw: Account opening date and last date of depositing the minimum required balance of KD200 is two (2) calendar days before the draw cutoff date.
 - Quarterly draw: To be eligible to enter the quarterly draws, the minimum required balance of KD200 must be maintained for a minimum period of two months prior to the draw cutoff date for Quarter 1 and Quarter 2 draw. The balance must be maintained for a minimum period of three months prior to the draw cutoff date for Quarter 3.
 - Yearly draw: To be eligible to enter the KD1 million yearly draw, the minimum required balance of KD200 must be maintained for a minimum period of two months prior to the draw cutoff date.
4. The Bank has the absolute right to advertise Al Danah winner's name and picture in all media.
5. Employees of Gulf Bank, employees of service providers and persons involved with promoting, marketing and/ or carrying out any activity related to the draw and/or the prize, their spouses, their relatives up to the second degree and any other person or entity excluded in accordance with the regulations of the Ministry of Commerce and Industry are not allowed to participate in the draw. Any winner in violation of this prohibition is under the obligation to immediately return the prize to Gulf Bank, which shall be cancelled. Gulf Bank shall have the right to deduct the amount directly from the account(s) of such winner without obtaining an approval.
6. Al Danah Prize shall only be awarded to the account holder in person, or to his heirs in the event of the account holder's death, or to the guardian or custodian and according to the provisions of the law.

7. Draw Prizes:

Daily draw: KD1,000 (awarded to 2 winners every working day). Winners are restricted only to one prize of KD1,000 for a day.

Quarterly draws:

Quarter 1: KD200,000 (1 winner)

Quarter 2: KD250,000 (1 winner)

Quarter 3: KD500,000 (1 winner)

Yearly draw: KD1,000,000 (1 winner)

8. The customer agrees to deduct KD2 charge per month if account balance drops below KD200 in any given day of the month.

9. Customer receives one chance daily for every KD100. Chances for all draws are calculated starting January 1st every year.

Deposit Accounts:

1. The deposit shall mature only on the maturity date, and the interest thereon shall be calculated as per applicable regulation to each product.
2. The deposit maturity shall be extended – automatically – to similar period(s) without the need for a notice or warning, unless the Bank receives instructions in writing to the contrary from the customer at least two business days prior to the maturity date. The deposit of prepaid interest is a single maturity deposit and may not be renewed. The customer shall not have the right to request redemption of the deposit prior to its maturity date, unless he returns the interest prepaid to him thereon, and pays any charges, commissions, or expenses accrued thereon.
3. In the event the customer requested to redeem the deposit prior to its maturity date, the customer shall not be entitled to any interest on any period, whereas the Bank has the right to debit the commission prescribed thereon as per applicable regulations.
4. If a fixed deposit receipt is lost, a duplicate may be issued to replace the original at the customer's written request after payment of the fee designated in the Bank's List of Fees & Commissions.
5. All deposit details printed on the front side of the receipt issued by the Bank shall be considered correct, unless the Bank is notified in writing to the contrary within fifteen days from the date of the receipt.
6. In the event that the deposit matures on an official holiday, it shall be automatically extended for a maturity on the following business day at the original interest rate.
7. Crediting the deposit amount and interest thereon to the customer's account on its maturity date shall release the Bank from any liability towards the customer. Hence, the receipt previously issued to the customer thereon shall be disregarded.
8. Withdrawal from the deposit account by cheques is not allowed, and the Bank shall not issue credit cards or ATM cards against such account.
9. In the event of granting loan to the customer against pledging the deposit, the pledge shall continue in full force and in favor of the Bank even in case of having the deposit maturity extended to other period(s), or in case of amending the number, currency or amount of the deposit, or maturity thereof, up to full settlement of the debt guaranteed by it. The Bank shall have the right to break the deposit prior to deposit maturity date upon the debt maturity, without the need for customer's prior consent and without notice to the customer, in order for the Bank to recover the amounts due to it from the customer.

Joint Accounts:

1. Joint accounts can be equally opened between two or more persons, unless otherwise agreed. The agreement of account holders on account management method shall be considered for withdrawal.
2. All of the account holders are jointly liable towards the Bank for repaying any amounts due to it on this account, notwithstanding the reasons or sources related to such amount. The Bank may recover such amounts from the credit balance of any individual account kept in the name of any of the account holders or from his share in any other joint account.
3. The joint account holders agree that the Bank, while setting-off amongst different accounts of one of the joint account holders, may include his share in such account within such set-off.

4. In joint accounts, one of the account holders may remove himself from the account after reimbursing the debit amounts and returning cheque books, ATM cards and others, subject to the approval of the remaining account holders.
5. In the event of imposing a court attachment on one of the account partners under the Bank's possession, notwithstanding the basis of attachment, the share of the partner subject to attachment (account partner) shall be blocked. The attachment shall not affect the remaining shares of partners or any amounts to be deposited after the imposition of the attachment.
6. In the event of the death of one of the joint account holders or loss of his legal competence, the other account holders shall notify the Bank accordingly, and advise of their wish to continue the account, within a period not exceeding ten days from the date of death or loss of competence. The Bank shall stop withdrawal from the joint account until the legal successor of the deceased is appointed.
7. When the Bank is notified of any dispute that may arise between the account partners, transactions on the account shall be suspended, and the Bank shall not bear responsibility for such suspension.
8. The holders of the joint account declare that they are the beneficiaries of the account, and that they may not use it for third parties or for a purpose other than that allocated for it. Otherwise, the Bank shall have the right to carry out appropriate action in this regard to protect all its rights.

Savings Account for Children and High school, College and University Students (Children/Youth):

Minor account holders under 15 years:

- The guardian's request for account opening in the name of the minor customer below 15 years is required. The Civil ID of the guardian and that of the minor shall be submitted to the Bank after viewing the original.
- The child's mother may open the account from her own money, as a gift, by submitting the child's birth certificate. In the event where she wishes to manage the account solely, she shall sign the Declaration Form prepared for this purpose at the Bank. Otherwise, the guardian/custodian has the right to transact on the account.
- There are no charges and no minimum deposit for opening children's accounts.

Age groups are: from 15 to 25 years:

- All High school, College and University students aged between 15 to 25 years of age may open the account and may request a RED ATM card.
- There are no charges and no minimum deposit for opening youth accounts. No cheque books or credit cards shall be issued for youth below 18 years and no loans shall be granted thereon.