# Your Banking Basics Booklet

A Simplified Guide to Managing and Using Banking Services

الأهلي ABK

# ABK Your Banking Basics Booklet

## Booklet Objective

To communicate banking and financial fundamentals in a straightforward, practical manner that enables the customer to comprehend the operation of their account, securely utilize their cards and digital services, make informed decisions regarding financing and savings, and be aware of their rights and responsibilities in order to safeguard their funds.

## 1. Your Bank Account

### What is a bank account?

It is a financial account linking the customer to the Bank, allowing for the secure storage of funds and the efficient completion of daily transactions, such as withdrawals, deposits, and money transfers.

### Difference between a Current Account and a Savings Account

**Current Account:** An account designed for frequent daily transactions. It typically does not generate profit and allows for withdrawals and deposits at any time.

**Savings Account:** An account designed for saving money. It provides the customer with profit or simple interest on the funds held therein.

### Account Number and IBAN

**Account Number:** A local number specific to the customer within the Bank itself, used for routine transactions at the branch or within the Bank.

**IBAN:** International Bank Account Number; a long number starting with the country code, used to execute local and international financial transfers accurately and securely.

### Account Statement, Current Balance and Available Balance

**Account Statement:** A detailed report indicating all transactions made on your account over a specific period determined by you.

**Current Balance:** The total amount of funds actually present in the account.

**Available Balance:** The amount you can use immediately, which may be lower than the Current Balance due to pending or held funds.

### Account Monitoring via App and Alerts

**Banking App:** A mobile application that allows customers to monitor their accounts, pay bills and transfer funds at any time.

**Instant Alerts:** Text messages or notifications sent to your phone via the Banking App immediately upon any account activity.

### Importance of Updating Information and Reviewing Transactions

**Updating Information:** Keeping your personal information up to date with the Bank ensures your account continues to operate smoothly and without interruption.

**Reviewing Transactions:** We advise customers to regularly scrutinize transactions on their accounts to verify their accuracy and quickly detect any errors or suspicious activity.

## 2. Bank Cards

### Difference Between Debit Cards and Credit Cards

The primary difference is that a debit card draws funds directly from your bank account, whereas a credit card represents a form of financing or a short-term loan that the customer must repay later, typically on a monthly basis.

### PIN, CVV, and OTP: What Do They Mean?

**PIN:** The card's Personal Identification Number (secret code).

**CVV:** The card's security code; a 3-digit number located on the back of the card, used for online purchases.

**OTP:** One-Time Password; a verification code for online payments sent via text message to the customer's phone.

### Safe Card Usage

- Never share your PIN or CVV code with anyone.
- Ensure websites are trustworthy before entering your card details.
- Enable bank SMS notifications to track every financial transaction.

### What to do if your card is lost?

- Deactivate the card immediately via the Bank's mobile app.
- Or call the customer service hotline at 1899899 (or +965 22907222 for international calls) to deactivate the card and request a replacement.
- Or visit the nearest bank branch to report the loss.



### What to do if an unrecognized transaction appears?

- Contact the Bank immediately for more information regarding the transaction.
- If you did not initiate the transaction, take the following steps:

A. File a dispute claim to request a refund.

B. Request to deactivate the current card and issue a new one to prevent any further unauthorized charges.

## 3. Electronic Banking Services (via bank website or app)

- Check account balances and transaction history
- Transfer funds and pay bills
- Download account statements
- Manage card settings and limits
- Enable alerts
- File a formal complaint with the Bank

**Important Note: Five (5) details you cannot share with others: OTP, PIN, CVV, password and card details.**

## 4. Financial Transfers and Payments

- Verify the beneficiary's name and account number/IBAN before transferring funds.
- Keep transfer receipt.
- Check transfer fees and exchange rates for foreign currency transfers before proceeding.

## 5. Loans and Financing

### What is a loan?

It is a sum of money provided by the Bank to the customer, to be repaid in monthly installments agreed upon **before signing the contract**.

### What is APR?

It is a figure expressed as a percentage, intended to indicate to the customer the true cost of the loan or credit card.

### What are the consequences of late payment?

Late payment fees apply in accordance with the Bank's schedule of fees and charges. Additionally, late payments are recorded in the customer's credit history within the Credit Information Network (CI-Net).

## General Tips:

Do not choose financing based solely on the installment amount. Be aware of the full cost and the extent of commitment.

> Example: If your salary is KD 400 and your monthly loan installment is KD 150, does the remaining amount cover your personal expenses and obligations?

## 6. Protect Your Money from Fraud

- Avoid responding to or engaging with fraudulent calls, messages or links.
- Fraudsters may impersonate bank staff. However, the Bank will never ask you to share confidential information such as your PIN, OTP or card number.
- Beware of fake prizes and suspicious investment offers.
- The Golden Rule: Never share your OTP or PIN with others, and do not use them via any link without verifying the legitimacy of the party you are dealing with.

## 7. Know Your Rights and Obligations

- You have the right to know the product terms, fees and costs before signing.
- You have the right to ask questions before signing and to receive copies of the documents.
- If you are dissatisfied with a transaction, you have the right to file a formal complaint with the Bank.
- Customers are required to provide accurate information to the Bank and keep their data updated periodically to enable the Bank to offer proper solutions. They shall also meet any financial obligations owed to the Bank.

## 8. Before You Sign

**Ask yourself:** What is the product? How much will I pay? What are the fees? How much is the installment? What is the term of the commitment? What happens if I am late with a payment? Is early repayment allowed? Do I understand all the terms? Have I received a copy of the contract?

> Note: If you do not understand something or need further clarification, ask the employee; do not sign anything you do not fully understand.

## 9. Always remember:

1) Monitor your account regularly.
2) Do not share your OTP with others.
3) Protect your card; do not share its details with others and only enter them on trusted websites or apps.
4) Review your transactions periodically.
5) Do not transfer any funds without verifying the beneficiary's details.
6) When taking out a loan or credit card, look beyond just the installment amount; consider the total cost and compare it with your salary.
7) Try to save a portion of your income or salary.
8) Read any document thoroughly before signing it.
9) If you do not understand something or need clarification, ask the staff.

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