

What is a credit card?






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A credit card is a bank card you use to pay at stores or online shops.

But where does this money you use come from?

Well, the bank lends it to you within an interest rate, 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 a late payment fee.

Know the difference between debit and credit cards:

	Debit card	Credit card
Source of Money	Your Money (Your Account)	Bank's Money (Borrowed Money)
Transaction Limit	Associated with your Bank account	Work as a short term borrowing instrument
Repayment Requirement	No Repayment Required	Repayment of used borrowed money based on the repayment option
Penalty	No Penalty	Interest for repayment option except the 100% repayment option and late payment fee If you did not do the repayment on time
Credit Score	Does not impact Credit Score	Over dues, nonpayment & dues settlement can impact your credit history
Rewards	It provides limited rewards	It provides more rewards, loyalty points and better offers

What are the repayment options for a credit card?

5%

500 JOD

(If you issued a card with 100 JOD and made purchases for the full 100 JOD, on settlement date, the due amount will be 5% of the 100 JOD, which is 5 JOD, in addition to the regular interest rate.

25%

500 JOD

(If you issued a card with 100 JOD and made purchases for the full 100 JOD, on settlement date, the due amount will be 25% of the 100 JOD, which is 25 JOD, in addition to the regular interest rate.

50%

500 JOD

(If you issued a card with 100 JOD and made purchases for the full 100 JOD, on settlement date, the due amount will be 50% of the 100 JOD, which is 50 JOD, in addition to the regular interest rate.

100%

500 JOD

(If you issued a card with 100 JOD and made purchases for the full 100 JOD, on settlement date, the due amount will be 100% of the 100 JOD, which is 100 JOD, without any additional interest.



How much interest will be paid on the credit card?

For credit card purchases through various points of sale or online shopping, and even cash withdrawals:

Another tip for you is to plan ahead and make sure to select the appropriate repayment option before using the cards on a monthly basis. For example, if you know that in the coming month you will not have enough money to choose the 100% repayment option, make sure to select the right repayment option on "Arabi Mobile" app, which is: 5%, 25%, 50%. If you choose other options, an interest rate will be imposed on the borrowed amount.

No interest is charged if you choose the 100% repayment option and if you pay on time, which is what we advise. If you do not pay on time, a late payment fee will be imposed.

Note that to be eligible for a future loan from Arab Bank or any other bank (such as a personal loan, housing loan, car loan, etc.), you must have a good credit score. If you do not pay installments on time, it may affect your credit score and you will not be eligible for a loan in the future.

Cash withdrawal from the credit card:

The customer pays an additional 4% commission on the withdrawn amount, with a minimum of 4 JOD.

Tip: Always be sure to use your credit card smartly for payments in various stores to earn reward points and benefit from our various offers and cashback offers instead of using it for cash withdrawals.

Are there any other fees?

Yes, there are late payment fees **(when exceeding the monthly due date of the card)**, which is an additional amount for each month of delay in paying the due amount.

How long do I have to repay the amounts due on the credit card?

If you make a purchase after the 15th of the month, you may enjoy an interest-free period of up to 45 days. However, if the purchase is made on or before the 15th, payment will be due by the end of the same month. Note that missing the repayment due date will result in a late payment fee.

Okay, what if I can't repay the amount due on the credit card?

In this case, the debt amount on the credit card will continue to accumulate due to the high interest rate. This would also negatively affect your credit score.



Can anything be done in this situation to help improve it?

Yes, you can repay the borrowed amount with the accrued interest in full and make sure not to miss any other due dates for borrowed amounts on the credit card.

It is possible to contact Arab Bank's call center to assist you or direct you to the specialized department to find a suitable solution for your repayment plan.

And always make sure to update your information (KYC) with the bank (especially your phone number) so that the relevant department in the bank can contact you to help you find the appropriate payment mechanism for you.

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