

KEY FACTS STATEMENT

Personal Finance

Product Description

Personal Finance proposition provides an opportunity to fulfill your needs related to personal financing needs and liquidity requirements, i.e. goods Murabaha, education & travel finance, Shares Murabaha and other personal financing purposes.

Shari'a Structure	Personal Finance product is designed based on Murabaha (Islamic Finance Structure) to purchase goods, boats, shares, commodities, Sukuk...etc. In certain cases, you after owning these items may at your sole discretion sell them to generate liquidity which may be used also to enable you to settle the outstanding debts with other banks. Personal finance structure can also be based on Ijara mode to finance education and travel needs The following are key product variants under Personal Finance:			
	Personal Finance Products:			
	Tadawul (Shares Finance)	Tadawul Direct (Shares Finance)	Sukuk Finance	Top up Murabaha
	Debt Settlement Products:			
	Sukuk Debt Settlement		Al Khair Liabilities Settlement	
Key Product Features	Other Products:			
	Goods Murabaha	Boat Finance	Education Finance	Travel Finance

Key Product Features	Maximum Facility Tenor:	48 months 60 months for Ministry of Defense (MOD)/Armed Forces.
	Maximum Salary Multiples:	20 times of monthly salary/income 15 times of monthly salary for Ministry of Defense/Armed Forces.
	Upfront Instalment Deferments (Grace Period for 1st Instalment):	Up to 210 days for 1st Instalment.
	Instalment Postponements:	Two instalment postponements are allowed in a year with a gap of 6 instalment payments. You can avail two instalment postponement in a year without any instalment postponement fee.
	Early Settlement:	Finance can be fully settled any time by you before the maturity date of finance by providing proof of source of funds.
	Partial Settlement:	Finance can be partially settled any time by you before the maturity date of finance by providing proof of source of funds.
	Advance Payment:	Up to two instalments can be paid in advance. You pay next instalment after two months.
	Donation Commitment to Charity in case of Late Payment Event:	In case of late payment of monthly instalment, you undertake to pay AED 100 into charity if it is stipulated in the relevant contract.
Takaful Cover (Optional):	You can avail Takaful that covers the outstanding amount of finance in case of death and permanent disability post availing the facility. For more details on the Takaful cover please refer to the Takaful Terms and Conditions in the link: https://www.adib.ae/en/SiteAssets/takaful/Customer_TC_WS_FF.pdf	

Note: The Bank reserves the right to amend the Terms and Conditions, Schedule of Charges Banking Services and Tariff Board and other fees payable by you from time to time after giving a notice period of at least 60 calendar days, after which the changes shall become effective. Current ADIB Personal Finance Terms and conditions are available at: https://www.adib.ae/en/SiteAssets/Personal/financing/Personal-finance_TC_website.pdf and Schedule of Charges are available at: <https://www.adib.ae/en/SiteAssets/Personal/Banking-Services-and-Tariff-Board.pdf>

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Financial Terms	Murabaha Finance Amount:	Cost of Murabaha minus down payment if any.
	Murabaha Profit Rate: (Fixed):	Debt Settlement: 5.99% - 12% Other Personal Finance products: 7.25% - 20% Murabaha Profit rate is the rate that is used to calculate the annual profit amount by reducing balance method. The Total profit amount computation formula is included in the Murabaha Sale Contract.
	Murabaha Profit Calculation Methodology:	(Original Cost – Advance Payment) x Annual Murabaha Flat Profit Rate x Tenor in years* *the tenor includes grace period, if any, and calculated as follows: (number of monthly installments/12) + (grace period in days/365).
	Monthly Instalment:	Your monthly obligation against each Personal Finance.
	Debt Service Ratio (DSR):	Total monthly obligations towards financial facilities as a component of monthly income.
	Detailed Finance Payment Schedule:	Detailed finance payment schedule having financial obligation details including monthly instalments, profit amount /Murabaha cost amount, total sale price and deferred amount, payment frequency and installments dates during the period of finance.

Note: VAT means “value added tax” imposed on the supply of goods or services under Law No. 8 of 2017 and the related executive regulations or any similar future taxes. For complete list for Schedule of charges please visit <https://www.adib.ae/en/SiteAssets/Personal/Banking-Services-and-Tariff-Board.pdf>. This is subject to change as per the instruction of Federal Tax Authority. VAT is exclusive on all above fees and charges unless specified.

Key Requirements, Limitations, Obligations and Risks	<ul style="list-style-type: none"> The applicant should be above 21 years The applicant should be a Salaried individual residing in UAE and meet the income criteria of ADIB The applicant shall meet the affordability assessment criteria. <p>Note:</p> <ul style="list-style-type: none"> ADIB has a right to decline any application at its own discretion. All charges paid to ADIB for services already rendered are non-refundable. Based on the Murabaha/Ijarah contract and relevant financing documents, to recover the outstanding balance, and at an time after, the occurrence of an Event of Default, ADIB may, at its discretion: <ul style="list-style-type: none"> Terminate the Murabaha/Ijarah contract. Demand that you to pay all outstanding installments and otherwise declare due all amounts payable under the Murabaha/Ijarah contract; and Exercise its rights under any security and otherwise initiate any legal action and remedies available to ADIB by law or in accordance with the Murabaha Contract. For Debt settlement products, the following is applied: <ol style="list-style-type: none"> For Al Khair product, you must ensure settlement of finances with other banks within 30 days from signing of Murabaha contract else outstanding amount of the relevant finance will be settled, as agreed with you as a part of the securities. For Sukuk Debt Settlement product, you must settle the outstanding finances of other bank (s) as defined in Schedule (s) / Sub Murabaha Contract (s) of Master Murabaha Contract within 90 days from signing of the Master Murabaha Contract, as agreed with you as a part of the securities. For debt settlement products, in case of non-settlement of any of the facility by you within the defined period (as mentioned in the application form), this shall be deemed as an breach of securities under the Murabaha contract.
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Fee & Charges:

Processing Fee* (Non-Refundable if the financing is canceled):	1% of finance amount (Max. of AED 2,500) + VAT (One time)
Total Shares Brokerage Service Fee (s) (buy and sale) ** (one time):	Dubai Financial Market (DFM): 0.55% of shares trading amount (Max. AED 2,475) + VAT Abu Dhabi Stock Exchange: 0.30% of shares trading amount (Max. of AED 2,475) + VAT
Shares profits or losses**:	Once you own shares, you may incur profit or losses which are borne by you.
Al Etihad Credit Bureau Fee:	AED 21 + VAT (One time)
Installment Postponement Fee:	No Fee
Donation Commitment to Charity in case of Late Payment Event:	AED 100 (For each late payment of instalment)
Non-waived portion of profit in early/ partial/final settlement (one time):	Up to the equivalent of 1% of outstanding Murabaha cost (Max. AED10,000) (One time)
Direct Debit Authority (DDA) Setup Charges:	AED 100 + VAT (one time)
DDA Amendment Fee:	AED 100 + VAT (for each request)
DDA Cancellation Fee:	AED 100 + VAT (One time)
DDA Insufficient Funds:	AED 25 + VAT (One time for each transaction)
Personal Finance Takaful Protection (optional) (one time):	Starting from 1.25% of the initial / outstanding finance amount (Inclusive VAT)

* Processing Fee is applicable to Tadawul (Nominee Account only), Sukuk Finance, Top up Murabaha, Sukuk Debt Settlement, Al khair Liabilities Settlement, Goods Murabaha, Boat Finance, Education Finance and Travel Finance

** Applicable to Tadawul Non-Nominee Account product only and fee is applied by ADIB securities. Shares Trading is performed through ADIB securities.

The brokerage fee for DFM and ADX Tadawul (Non-Nominee Account) is as follows:

DFM: The brokerage fee on buy orders (0.275% of trading amount), maximum AED 1,237.5 and is a part of the finance amount (Murabaha cost), while the brokerage fee on sale orders (0.275% of trading amount), maximum AED 1,237.5 is applicable only upon selling the shares by the customer

ADX: The brokerage fee on buy orders (0.15% of trading amount), maximum AED 1,237.5 and is a part of the finance amount (Murabaha cost), while the brokerage fee on sale orders (0.15% of trading amount), maximum AED 1,237.5 is applicable only upon selling the shares by the customer

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Key Disclosures:

- Post signing of the Murabaha/Ijarah contract, you become the owner of the underlying asset/or its usufruct and becomes responsible of its associated pricing / loss related risks that will, if any, will be borne by you i.e.
 - For Sukuk finance product, you buy National Bonds Corporations (NBC) Sukuk from ADIB through Murabaha contract. Post signing of Murabaha contract, any financial loss on Sukuk due to any reason to be borne by you.
 - Under Tadawul product, you trade into Sharia compliant shares, any resultant profit or loss is borne by you.
 - For Goods Murabaha and Boat Finance, you intend to buy the Sharia compliant goods or boat through the bank. You must make sure that assets are not damaged prior to taking delivery of the products.
 - For Education and Travel Finance, you intend to avail the services of educational institution or travel agent through the Bank. You avail the services from service provider as per quotation post signing of Services Ijarah contract.
 - You can avail two instalment postponement in a year without any instalment postponement fee.
 - In case of early/partial settlement of finance, I understand that the settlement amount will be the actual outstanding amount on the date of settlement including Non-waived profit until the date of settlement and profit charged for the current month as defined below and other overdue financial charges.

Non-waived profit:
 1% of Murabaha outstanding cost/partial settlement amount (Max. of AED 10,000) Or unearned profit amount (whichever is lower). Non-waived profit is aligned with the requirements of the CBUAE and the cost incurred by the Bank.

Early Settlement Example:

 - Outstanding cost amount: AED 100,000
 - Unearned profit amount: AED 1,246.58
 - Total outstanding amount: AED 101,246.58
 - Non-waived profit amount: AED 1,000
 - Unearned profit amount for the existing month: 136.99
 - Waived unearned profit amount* : AED 109.59
 - Overdue amount to date (if any): AED 0
 - Total settlement amount: AED 101,136.99

*waived at the absolute and sole discretion of the Bank

Note: Non-waived profit amount is not applicable for MOD customers
- Partial Settlement Example:**
 Remaining Installments: 48
 Profit Rate: 4.25%

 - Outstanding cost amount: AED 979,943.41
 - Unearned profit amount: AED 73,540.51
 - Total outstanding amount: AED 1,053,483.92
 - Partial Settlement Amount: AED 350,000
 - Waived unearned profit amount* : AED 31,210.72
 - Non-waived profit amount including 5% VAT: AED 3,675.00
 - Overdue amount to date (if any): AED 0
 - Total settlement amount: AED 353,675.00
- You can complete the application submission and Murabaha/Ijarah signing process via ADIB online application portal.
 - The details of total profit amount, calculation formula is available in Murabaha Sales Contracts and Ijarah contracts.
 - You must ensure that you have read and agreed to the terms and conditions in the Finance Application form, Facility Offer Letter, Promise to Purchase and Murabaha/Ijarah contracts as applicable.
 - For any campaign features, you may refer to campaign T&C's.
 - For Al Khair product, ADIB will enable you to settle the outstanding finances of conventional banks only and extra cash will be provided on this product.
 - For Top up Murabaha and Consolidation product, your principal amounts and remaining profit amounts are clubbed to make equal monthly instalments by keeping the DSR at 50% and 30% for pensioners. Effective rate is calculated on keeping into consideration new instalment, financing tenor and outstanding Murabaha cost amount, total profit amounts and will be displayed in Murabaha Consolidation and Installments Amendment Agreement.

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WARNINGS:

1. If you do not meet the payments on your financing, this may affect your credit rating, which may limit your ability to obtain financing in your future
2. In case of late payment of monthly instalments, you will pay AED 100 as donation commitment to charity if it is stipulated in the relevant contractual documents.
3. Re-scheduling your financing may take longer to pay off than your initial agreed upon terms.

COOLING-OFF PERIOD

Once you enter into the financing contract, you will be bound by the terms and conditions of the financing contract however in accordance with the Consumer Protection Regulation and Standards you have the right to a cooling-off period option. This is a right to cancel the financing contract within five (5) complete business days starting immediately after signing the financing contract (the "Cooling-Off Period"). However, you may choose to waive your right to the Cooling-Off Period.

Warning

If you choose to waive your right to the Cooling-off Period, you will be bound by the terms and conditions of the financing contract once it is concluded between you and the Bank. Consequently, you will be subject to the risks of price fluctuation of the item sold/leased to you starting from the finance contract signing date.

APPLICANT ACKNOWLEDGEMENT

I / We hereby acknowledge and confirm that the product key facts statement has been read, understood, signed and a copy received by me.

Applicant Name:

EID No.:

Signature:

Date: