

# KEY FACTS STATEMENT - Personal Finance



**WARNING:** Read this document carefully and sign only if you clearly understand and agree to the content of the Key Fact Statement (KFS), which is available in English and Arabic. You may also use this document to compare different Credit Cards offered by other Banks. You have the right to receive KFS from other Banks for comparison.

Date: \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

This Key ra Facts Statement is provided to help you (you", "Consumer or "Customer") This is not an offer of credit facility you may compare this Personal Finance with the Personal Finance of other financial institutions.

Below are the information you provided in the application form enabling aafaq Islamic finance (the" finance company" or "aafaq") to prepare this Key Fact Statement.

Customer Name : \_\_\_\_\_

Emirates ID No: \_\_\_\_\_

Finance Amount : \_\_\_\_\_

Requested Tenor : \_\_\_\_\_

Nationality : \_\_\_\_\_

## Definition

"You", "your", "Consumer "or "Customer 'means the customer "We", "our" and "us refers to aafaq Islamic finance private Stock Company licensed and regulated by the Central Bank of the UAE or "aafaq" or the "finance company" and/or its successors and assigns or to any "Affiliate" if any services are being provided by an Affiliate under the general terms and conditions for accounts and Islamic Banking services of aafaq (where applicable)

## Product Definition

Customer or its agent will purchase Sharia compliant commodities on the DMCC Trade flow (Islamic) platform from Aafaq on the basis of Murabaha and is then able to liquidate same on its own to generate cash for itself as follows:

1. Customers shall provide an irrevocable promise to purchase the commodities (the "Promise to Purchase" or the "Promise") in favor of AIF.
2. AIF will purchase the Commodity form the Back office A (seller) on spot for cash payment on its own account using the DMCC trade flow (Islamic) platform.
3. As per the Promise to purchase AIF will sign Murabaha agreement with the customer and sell him the purchased commodity with agreed profit.
- 4.The Customer has the right to execute the Agency Agreement appointing an Agent for sale of the Commodities on DMCC Trade flow (Islamic) platform acting for and on behalf of the Customer.
5. After the customer possession the commodity through Murabaha agreement, he has or (its agent) the right to sell the Goods to a third party -back-office B (purchaser) and the sale proceeds net of expenses and charges will be credited into the Customer's account with AIF and such amount can be withdrawn by the Customer for its use.

6. The Customer will make payment to AIF in accordance with the agreed deferred payment schedule set out in the Financing Documentation based on Murabaha Agreement (point # 3).
7. The Customer will make payment to Aafaq in accordance with the agreed deferred payment schedule set out in the Financing Documentation.

Fee and Charges Description	Fee and Charges Amount Details	Example
Applicable fixed profit rate	5.00% p.a to 15% p.a fixed rate  (9.15% p.a to 27.5% p.a in reducing financing)  * Maximum financing tenure up to 4 years	Profit rate (reducing) 5.00% p.a  Finance balance at the beginning of the month x profit rate /12 x 100  Profit charged at the beginning of the month = AED 100,000 x 5.00% / 12 x 100 = AED 417
Applicable due diligence /processing fee	Minimum AED 500 - Maximum AED 2,500 <i>(All processing fees calculated based on actual expenses)</i>	If the total financing amount/ lease amount is AED 100,000 then the Processing Fee calculation will be as follows 100,000 x 1% = AED 1000 (Min AED 500 - Max AED 2,500)
Applicable late payment undertaking to donate	4% per annum applied to the unpaid sum (Maximum AED 200) The amount will be routed to the designated charity through Aafaq as per Sharia guidelines	If the total outstanding is AED 100,000 then the Late Payment Fee calculation will be as follows: 100,000 x 4% / 12 = AED 333.30
Applicable documentation coordination / credit appraisal fee/deferment /postponement fee	Deferment of Installment AED 100  A maximum of 2 deferment per finance year are permissible subject to the conditions below.  * Customer should not be delinquent on any of his/her facility at time of deferment request.  * No back to back deferment allowed, at least 2 installments should be paid between deferrals.  * For new finance, minimum of 6 installments should be paid before first deferment.	Incase of customers' request to defer an instalment the finance company needs to process the Deferral request where some documentation coordination and credit appraisal will be involved and the finance company will charge processing fee to the customer for these services throughout the Murabaha tenor, the customer is allowed to postpone up to (2) installments
Applicable early settlement charges	1% of the outstanding balance (Maximum AED 10,000/-)	If the total outstanding is AED 79,000 then the calculation of early settlement fee will be as follows: AED 79000 x 1.0% = AED 790.00
Liability Letter (LL) issued to Govt. Depts., Embassies, Banks/Financial Institutions etc...	AED 60/-	
Release Letter (Clearance Letters)	AED 50/-	
Finance Cancellation Fee	AED 100/-	

Finance (Loan) copy, issuing redemption statements, audit confirmation, etc)	AED 25/-	
Other fees and charges	All charges related to Personal finance product are available in the aafaq schedule of charges at the aafaq website. These charges are subject to changes which will be notified through the proper channels to the customers. Please refer to <a href="https://www.aafaq.ae/en/products?38&amp;Schedule-of-Charges-&amp;-Fees">https://www.aafaq.ae/en/products?38&amp;Schedule-of-Charges-&amp;-Fees</a> for other charges that may apply during the tenor of your relationship with the finance company.	

\*All fees and charges are excluding 5% VAT.

## Estimated Cost of this product

Total amount to be paid back (including finance amount and fees)	AED
Due diligence /documentation fee/processing fee	AED
Payment per month (EMI)	AED

Fees applicable for the finance you apply for will be shown in the finance contract. You can also obtain a list of fees applicable to this type of finance through our website at [www.aafaq.ae](http://www.aafaq.ae)

## Will the profit change on this finance?

There will be no change of profit rate and it will remain fixed for the entire finance period

## How to find the best deals for you?

To obtain the best deals for you, it is important to check other aafaq Personal finance or other financial institutions offers and compare profit rates, fees and features before you apply for a Personal finance. Choosing the best Personal finance for you may save your money. You should request key facts statements when looking for a Personal finance from other financial institutions to help you find the personal finance that is right for you.

## Services and features

As part of availing this product, you will be entitled to the following services and features:

- Installment postponement
- Liability certificate
- Early settlement
- Add-modify delete guarantor
- Deal cancellation
- Booking/amendment/cancelation
- Change of payment account

All charges related are available in the aafaq schedule of charges at the aafaq website if applicable. These charges are subject to changes which will be notified through the proper channels to the customers. Please

refer to <https://www.aafaq.ae/en/products?38&Schedule-of-Charges-&-Fees> for other charges that may apply during the tenor of your relationship with the finance company.

## Warnings and consequences

By availing this product, you might be exposed to the following risks:

- You will bear all its associated risk including takaful.
- The financial institution and or its authorized collections agents might visit your office premises for follow up against the overdue and outstanding instalments amount towards the financial institution in the event of default in the payment of monthly instalments of credit facilities availed
- If you default, financial institution will report any default or payment delays to Al Etihad Credit Bureau and Central Bank Risk Bureau (CBRB) which may affect your credit rating and may limit your ability to access financing in the future.
- In case of early settlement of this Personal Finance, the financial institution will be entitled to charge the actual cost incurred by it which will be decided at the time of early settlement
- In case of late payments or non-payment of this Personal Finance, you may be exposed to the following consequences and others
  - Late payment donation, where the financial institution will ask you for donation of a specified amount you have undertaken pursuant to the facility documents as mentioned under fees and charges section.
  - A negative Credit Information Agency rating and the possible limitations on the ability to obtain financing in the future.
  - Collection measures Involving collateral collection Fees and claim on guarantees.
  - Legal actions through the courts.
- In case of Personal Finance against fixed deposit or any other collateral as security, the financial institution may liquidate your fixed deposit in case of payment default.
- Aafaq may use your Personal data to send you promotions.
- You shall pay the instalments specified into respective Personal finance agreement when due as set out and if you fail to pay two installments for any reason after being notified in writing to pay within (14) days, all the remaining installments shall fall due and payable in one single payment, and you shall pay them accordingly

## Where to apply for this product?

This Personal finance is available through

- Outlets
- Direct sales team
- Branches
- Agents and affiliates

## Terms and conditions

- Key Facts Statement contains information about Personal finance product to help you compare and select the most appropriate Personal finance for you.
- This Key Facts Statement is not an offer of credit. The financial institution is not obliged to provide you with the Personal finance described in this Key Facts Statement. You will need to apply for the finance and meet the financial institution's credit eligibility criteria before we can determine whether you are eligible for this finance.
- The profit rates fees and charges are those that apply as at the date of production of this Key Facts Statement.

- The amount required to be paid does not include fees, which are dependent on events that may not occur (for example, late payment donation if you do not pay on time).
- Please refer to the Warning Section for consequences in the event of a Consumer's failure to meet The financial institution's terms and conditions for more details visit [www.aafaq.ae](http://www.aafaq.ae)
- The Customer alone shall be responsible for the correctness of the information and data that are provided to make this Key Fact Statement.
- The financial institution may refuse to execute any requests, instructions or services requested by the Customer if the Customer fails to comply with the necessary procedures, or if the information or data are incorrect or are in violation of the law applicable in the United Arab Emirates.
- The financial institution shall reserve the right to change and modify these terms and conditions or the services and products offers as required by the applicable law or financial institution policy. Such changes shall be notified to the Customer within a period of 60 days.
- Aafaq Islamic Finance (aafaq) has a strict policy of keeping Customer information secret and secure.
- If the finance is approved, Aafaq Islamic finance (aafaq) will provide you with a copy of the Islamic financing contract to read, The product structure detail & Terms and condition of the contract and with appropriate time to review before signing it.
- In order to start with your Personal finance, you must Read and Sign this Key Fact Statement and submit it to a financial institution's sales representative.
- Full version of these terms and conditions is available on the website at the following [www.aafaq.ae](http://www.aafaq.ae)
- Governing Law and Jurisdiction of court: The finance facility agreement and other terms and conditions shall be governed by the UAE federal laws as applied by the competent courts of the UAE to the extent these laws do not conflict with the principles of Sharia as interpreted by the Internal Sharia Supervision Committee of the financial institution.
- This is a Sharia compliant product, please visit aafaq website [www.aafaq.ae](http://www.aafaq.ae) for details.

### Acknowledgement

I acknowledge the receipt of and understanding of this Key Fact Statement. I also acknowledge that I understand the product/service features, pricing, benefits, risks, fees and Consumer's rights and obligations as detailed in the Key Fact Statement, I confirm that the information provided in this Statement is accurate and complete. I authorize Aafaq Islamic Finance (aafaq) to verify the information provided herein or any other information available with aafaq from whatever source(s) it considers appropriate, including specifically any credit reports from any credit rating agency or bureau. I understand that aafaq is not obliged to provide me with finance solely based on the finance application. I acknowledge that any finance provided shall be at aafaq's discretion and subject to all applicable terms and conditions of Personal Finance agreement and aafaq financing Services General Terms and Conditions, which may be revised from time to time

### How to file a complaint?

- Any branch
- Call center 600 50 2006
- Internet
- Email [customer.care@aaafaq.ae](mailto:customer.care@aaafaq.ae)
- Our website complaint form
- By post: complaints management team, Aafaq Islamic finance, PO Box 282400, Dubai UAE

We will acknowledge your complaint within 2 business days and strive to respond to your complaint within an estimated average of 5 working days.

## KEY FACTS STATEMENT – Personal Finance

Customer signature: \_\_\_\_\_

Date of signature: \_\_\_\_\_

### Disclaimer

This communication has been issued by Aafaq Islamic Finance PSC (aafaq) - regulated by the Central Bank of the United Arab Emirates. The information contained in the underlined documents has been compiled with the objective of summarizing the key features of the promoted products and services to confirm the Customer's understanding of the products and services and its associated risks before the Customer's application is executed by the financial institution. It does not constitute (i) an offer or a solicitation to deal in any promoted product, or (ii) legal, tax, regulatory, financial, or accounting or Sharia advice. Any decision to avail aafaq product and services should be based upon an independent analysis by the Customer of the information contained in the associated offering document or other legal document. The Customer is responsible for consulting his/her own legal, tax or financial advisors for this purpose.

I hereby the undersigned (.....), As applicant applying for personal finance facility from Aafaq Islamic finance, Holding emirates ID no /.....

Nationality/....., Undertake and acknowledge that I have fully read and understood all the terms& condition written heretofore received by Aafaq Islamic finance.

- Wish to confirm I /we have read the Key Fact Statement
- Request to proceed after 15 days / wish to waive the 15-day waiting period to proceed