

Auto Finance - Key Facts Statement

Product Description			
Auto/Vehicle Finance proposition provides an opportunity to fulfill your needs for financing vehicles.			
Sharia’a Structure			
Vehicle/Car Murabaha: This product is based on Murabaha mode where ADIB buys the vehicle/car from and after receiving it physically or constructively, ADIB sells the same vehicle/car to you on Murabaha basis at a price which consists of cost plus profit amount agreed upon in the contract. All terms and conditions of the transaction are disclosed to you.			
Vehicle/Car Musawama: This product is based on Musawama mode where ADIB buys the vehicle/car from the local vendors and after receiving it physically or constructively, the bank sells the same vehicle/car to you on Musawama basis at a price agreed upon in the contract. Under Musawama mode, the bank is not required to disclose the cost of vehicle/car. All terms and conditions of the transaction are disclosed to you.			
Key Product Features			
Maximum Facility Tenor:	60 months		
Down payment out of price:	Minimum 20% of the vehicle/car price		
Upfront Instalment Deferments (Grace Period for 1st Instalment):	Up to 90 days for 1st Instalment.		
Instalment Postponements:	One instalment postponements are allowed in a year with a gap of 6 instalment payments. You can avail one instalment postponements 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:	You could pay a maximum of three installments in advance. You pay next installment after two months.		
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 Auto Finance Terms and conditions are available at: https://adib.ae/en/SiteAssets/Personal/financing/Auto-finance_TCs_website.pdf and Schedule of Charges are available at: https://www.adib.ae/en/siteassets/personal/banking-services-and-tariff-board_v54.pdf			
Financial Terms			
Finance Amount:	Cost of the vehicle minus down payment if any.		
Financing Profit Rate:	Profit Rate	Salary is transferred to ADIB	Salary is not transferred to ADIB
	Reducing Balance	4.75% - 8.25%	5.25% - 8.25%
	Flat Rate	2.75% - 4.49%	2.99% - 4.49%
	Financing 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 Sale Contract.		

Abu Dhabi Islamic Bank Public Joint Stock Company is licensed by the Central Bank of the UAE.

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Profit Amount Calculation Methodology:	$(\text{Original Cost} - \text{Advance Payment}) \times \text{Annual Financing Flat Profit Rate} \times \text{Tenor in years}^*$ <p>*The tenor includes grace period, if any, is calculated as follows: $(\text{number of monthly installments}/12) + (\text{grace period in days}/365)$.</p> <p>Note: in some case of a Musawama sale contract, the discount given to the bank by the dealer can be fully passed to the customer if specified in the relevant sale contract.</p>
Monthly Instalment:	Your monthly obligation against each Auto 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.

Key Requirements, Limitations, Obligations and Risks

- 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.

Note:

- ADIB has a right to decline any application at its own discretion, and decline reason will be communicated to customer.
- All charges paid to ADIB for services already rendered are non-refundable.
- Based on the sale contract and relevant financing documents, to recover the outstanding balance, and at any time after, the occurrence of an Event of Default, ADIB may, at its discretion:
 - Terminate the sale contract.
 - Demand that you pay all outstanding installments and otherwise declare due all amounts payable under the sale 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 sale contract.

Fee & Charges:

Processing Fee: (one time):	1% of finance amount (Max. of AED 2,500+VAT)
Al Etihad Credit Bureau Fee: (one time):	AED 30 + VAT
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 principal (cost) amount (Max. AED10,000) + VAT
Direct Debit Authority (DDA) Setup Charges (one time):	AED 100 + VAT
DDA Amendment Fee (per request):	AED 100 + VAT
DDA Cancellation Fee (per request):	AED 100 + VAT
DDA Insufficient Funds (for each transaction):	AED 25 + VAT

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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 Disclosures:

1. You must ensure that the Auto Finance Terms and Conditions as displayed on the mobile application, sale contract, T&C available on ADIB website and other documents signed by you are read, understood and agreed by you.
2. ADIB reserves the right to terminate the financial relationship with you in the event of a failure to meet the terms and conditions.
3. **Murabaha** 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 and profit charged for the current month until the date of settlement as defined below and other overdue financial charges.

Non-waived profit Murabaha:

1% of Murabaha outstanding cost/partial settlement amount (Max. of AED 10,000) Or unearned profit amount (whichever is lower).
Non-waived profit/ Early Settlement Fee 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 earned profit amount: AED 1,000 + 5% VAT (AED 50)
Unearned profit amount for the existing month: 136.99
Waived unearned profit amount* : AED 59.59
Overdue amount to date (if any): AED 0
Total settlement amount: AED 101,186.99

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 + 5% VAT: AED 3,500.00 + 5% VAT (AED 175)
- Overdue amount to date (if any): AED 0
- Total settlement amount: AED 353,675.00

*waived at the absolute and sole discretion of the Bank

Note: Non-waived earned profit amount is not applicable for MOD customers

4. Musawama

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 and profit charged for the current month until the date of settlement as defined below and other overdue financial charges

Non-waived profit Musawama:

1% of Musawama selling price/partial settlement amount (Max. of AED 10,000) Or unearned selling price (whichever is lower). Non-waived Price / Early Settlement Fee is aligned with the requirements of the CBUAE and the cost incurred by the Bank.

Early Settlement Example:

Outstanding Sale price: AED 100,000
Unearned profit amount: AED 0
Non-waived earned profit amount + 5% VAT: AED 0
Waived unearned profit amount*: AED 0
Overdue amount to date (if any): AED 0
Total settlement amount: AED 100,000

*waived at the absolute and sole discretion of the Bank

Note: Non-waived earned profit/selling price amount is not applicable for MOD customers

5. The details of total profit amount calculation formula are available in Murabaha/Musawama Sales Contract.

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 upon the request of the bank if it is stipulated in the relevant contractual documents.
3. You may have to pay a fee if you pay off a financing early.
4. 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:

Signature:

EID No.:

Date: