



**Generic Master Agreement for ADIB Covered Card**  
Applicable only to newly migrated customers to ADIB

This Master Agreement ("Agreement") is made this (insert the date) in the Emirate of (insert the city) United Arab Emirates between;

Abu Dhabi Islamic Bank PJSC, P. O. Box 313, Abu Dhabi, United Arab Emirates ("First Party")  
and

Name: ..... insert the name of the customer

Address: ..... reference number: ..... ("Second Party")

Each a "Party" and together the "Parties."

The Parties acknowledge they are legally competent to contract and agree as follows:-

**Recital:**

The First Party has agreed to provide the Second Party a Shari'a compliant product mechanism of availing the ADIB Covered Card ("Card"), where the Second Party is enabled to select a Card with a Murabaha Sale Contract ("**Installment Option**").

Upon the Agent's acceptance of this Agreement on behalf of the Second Party, the Second Party becomes bound by the terms and conditions set out in this Agreement.

**1. Introduction**

The Second Party wishes to enter into a Murabaha Sale Contract with the First Party and to appoint the First Party as a Service Agent of the Second Party to perform the services according to the terms and conditions of this Agreement.

**2. Definitions and Interpretation**

**2.1 Definitions**

All capitalized terms not defined in this Agreement mean as set out, or as defined in the Covered Card Terms and Conditions of ADIB;

"**ADIB**": means the First Party;

"**Agent**": means Serco BPO Services FZ, LLC, Dubai, UAE, a third party agent appointed by the Second Party, and collectively by the Second Parties, by means of the Welcome Letter received from the First Party on September 5, 2014 where the consent of the Second Party was taken by his/her non-objection to this appointment after the passage of the time mentioned in the letter.

**"Banking Services Agreement"**: means ADIB's existing banking services agreement;

**"Board"**: means the Fatwa and Shari'a Supervisory Board of the First Party;

**"Card's Documentations"**: means the Murabaha Sale Contract, Grouped Murabaha Sale Contracts, Offer to Sell to the Third Party Purchaser, Grouped Offers to Sell to the Third Party Purchaser and this Agreement.

**"Deferred Amount"**: means the amount due and outstanding to the First Party payable by Second Party;

**"Grouped Murabaha Sale Contracts"**: means the Murabaha Sale Contracts grouped together and concluded through the System in a single transaction between the First Party and the Agent on behalf of the Second Parties as a group ;

**"Grouped Offers to Sell to the Third Party Purchaser"**: means the Offers to Sell to the Third Party Purchaser, grouped together that is issued and confirmed by the Agent on behalf of the Second Parties as a group through the System, in the form of a single confirmation of these offers to be forwarded to the Third Party Purchaser;

**"Last Day of Your Card Monthly Period"**: means the date of the day that precedes the Starting Date of Your Next Card Monthly Period, on which Your Card's payments of the utilized amounts and Murabaha monthly installments shall be due.

**"Murabaha Sale Contract"**: means murabaha sale contract/s concluded by the Parties through any Execution Channel pursuant to the terms and conditions of this Agreement, the particulars of the murabaha sale contract shall be as specified in Schedule 1 of this Agreement;

**"Original Cost"**: means the cost incurred by the First Party to acquire the Commodities for each executed Murabaha Sale Contract;

**"Profit Amount"**: means a markup amount of the Murabaha Sale Contract added to the Original Cost, where the sum of the profit amount and the Original Cost together form the Total Selling Price;

**"Second Parties"**: mean a multiple number of the Second Party grouped together for the specific purpose of Grouped Murabaha Sale Contract and GMSC Agreements;

**"Services Agent"**: means the First Party ;

**"Starting Date of Your Card Monthly Period"**: Unless communicated to you through a short message service (sms) on 06/11/2014, it means the fixed date in each calendar month that equals the starting date of your latest Barclays' card monthly period.

"Starting Date of Your Next Card Monthly Period": means the fixed date in each calendar month that follows Your Card Statement Date.

"STI Account": means the short term investment account to which the Card is linked based on mudarabah principles and governed by the terms and conditions of ADIB's Banking Services Agreement

"Supplementary Cardholder": means as set out or as defined in the Covered Card Terms and Conditions of ADIB;

"System": means ADIB's information technology system that shall be used to execute the Card's Documentations.

"Third Party Purchaser": means Condor Trade Limited, Ground Floor, Regus House, Victory Way, Admirals Park, Crossways, Dartford, Kent, DA2 6QD, United Kingdom.

"Total Selling Price": means each Murabaha Sale Contract, the Original Cost of the Commodities plus the Profit Amount;

"You, Your, Yourself, Your behalf": mean the Second Party;

"Your Card Monthly Period" means the number of days between the Starting Date of Your Card Monthly Period and the Starting Date of Your Next Card Monthly Period.

"Your Card Monthly Statement Date ": means the Last Day of Your Card Monthly Period.

"Welcome Letter": means the letter sent to the Second Party dated September 5, 2014

### 3. General Terms & Conditions

**3.1** The Card's Document shall be concluded between the Parties through any of the execution channels ("Execution Channels") as follows:

**3.1.1** Acting through the Agent, the Agent shall:

**3.1.1.1** accept on Your behalf through the System the terms and conditions of this Agreement;

- a copy of this executed Agreement by the Agent on Your behalf is maintained in the System for Your records and is made available for You to view/print online.

**3.1.1.2** conclude on behalf of the Second Parties through the System the Grouped Murabaha Sale Contracts with the First Party;

- in accordance with Schedule 1 of this Agreement and 3.1.1.1 & 3.1.1.2 above, the particulars pertaining to You in the Grouped Murabaha Sale Contracts are maintained in the System for Your records in the form of Schedule 1 of this Agreement which is made available for You to view/print online.

**3.1.1.3** confirm on behalf of the Second Parties through the System the Grouped Offers to Sell to the Third Party Purchaser.

- in accordance with Schedule 2 of this Agreement and 3.1.1.1 & 3.1.1.3 above, the particulars pertaining to You in the Grouped Offers to Sell to the Third Party Purchaser are maintained in the System for Your records in the form of Schedule 2 of this Agreement, and are made available for You to view/print online.

**3.2** Alternatively, any Second Party who had rejected the appointment of the Agent may visit any ADIB branch to execute all necessary documents that are necessary to avail his/her Card.

**3.3** The Second Party is obligated to pay the Total Selling Price which consists of the Original Cost of the Commodities and the Profit Amount as specified in the executed Schedule 1 of this Agreement in accordance with clause 3.1.1 and its sub-clauses.

- 3.4 The Second Party acknowledges that the Commodities that he/she will purchase from the First Party shall represent a common share in the quantity of commodities ("Commodities") that shall be detailed through the Execution Channel that will be selected by the Second Party to purchase these Commodities from the First Party (which were purchased by the First Party in a specifically identified form). The Second Party hereby acknowledges that on concluding the Murabaha Sale Contract through the appropriate Execution Channel, he/she shall become a partner (Musharik) and owner of the Commodities in accordance with the amount of his/her share together with other owners of the Commodities under partnership (Sharikat-Almilk). The partners (Musharikeen) bear the risk (including price risk) in the Commodities on a pro rata basis according to their ownership share.
- 3.5 The Second Party shall bear the risk in the Commodities from the date of concluding the Murabaha Sale Contract through any Execution Channel.
- 3.6 All installments outstanding from the Deferred Amounts shall become due and payable in the circumstances identified in articles 431, 433, and 1084 of the Civil Code of the United Arab Emirates (Federal Law No. (5) of 1985 as amended and in the following circumstances:
- 3.6.1 If the Second Party fails to settle any installments on their scheduled date;
- 3.6.2 If the Second Party does not provide the agreed guarantees or if such guarantees are diminished either due to the Second Parties own action, or for another reason to which the Second Party did not contribute;
- 3.6.3 If it is evident that the Second Party has provided false, inaccurate/and or incorrect guarantees and/or information.
- 3.7 The Second Party is obligated to pay the cost of transferring ownership of the Commodities, registering the Commodities with the relevant authorities if required, and any other costs resulting from this Agreement.
- 3.8 The Second Party acknowledges the First Party's right to debit the Deferred Amount installments whenever they become due from all of the Second Party's accounts with the First Party regardless of the date they were opened. If the Second Party's account is in a currency different from the transaction's currency, then the First Party is hereby authorized to conduct the necessary exchange at the prevailing market exchange rate on the date of executing such debit.
- 3.9 By means of delivering to You this Agreement, the First Party shall be deemed to have accepted to be bound by the terms and conditions set out in this Agreement.
- 3.10 The Second Party may require physical delivery of his/her share of the commodities as follows:
- 3.10.1 If the amount of the commodities purchased by the Second Party is in the minimum deliverable size for physical delivery as determined by the rules of the applicable market. Any such request must be made in writing by completing the special physical delivery form in the nearest ADIB branch within thirty (30) days, and
- 3.10.2 If the amount of commodities purchased by the Second Party is less than the minimum deliverable size for physical delivery as determined by the rules of the applicable market, with the agreement of all the Musharikeen in the Sharikat al-milk.
- 3.11 The Second Party acknowledges and agrees that the other Musharikeen in the Sharikat al-milk are entitled to sell their share in the Sharikat al-milk.
- 3.12 Ownership of the Commodities shall pass to the Second Party in the manner stated in this Agreement. The First Party shall not be required to carry out any act which is not expressly provided for herein or is required as a consequence of any act which is expressly provided for herein.

- 3.13 The Second Party undertakes to deposit with the First Party, by way of security for the Total Selling Price, in an STI of the Second Party with the First Party an amount equal to the Original Cost specified in this clause ("Security Amount"). The Second Party may utilize the Security Amount in the manner agreed by the Parties provided that the Second Party shall, during the period of this Agreement, re-deposit in the above STI every month (on the date agreed by the First Party) an amount that is not less than 5% of the utilized amount or AED 100/-, whichever is higher. However, the Second Party may not utilize the Security Amount or any part thereof during the last twelve (12) months of the Payment Period as the Security Amount shall be used during this period by the First Party for the settlement of the amounts due from the Second Party. Notwithstanding this, the Second Party shall continue paying the installments until all amounts due from him are settled.
- 3.14 For Clarity, Your Starting Date of Your Card Monthly Period shall be as follows:
- 3.14.1 If the starting date of your latest Barclays' card monthly period was the 5th of each calendar month, the Starting Date of Your Card Monthly Period shall be the 5th of each calendar month.
- 3.14.2 If the starting date of your latest Barclays' card monthly period was the 6th of each calendar month, the Starting Date of Your Card Monthly Period shall be the 6th of each calendar month.
- 3.14.3 If the starting date of your latest Barclays' card monthly period was the 11th of each calendar month, the Starting Date of Your Card Monthly Period shall be the 11th of each calendar month.
- 3.14.4 If the starting date of your latest Barclays' card monthly period was the 15th of each calendar month, the Starting Date of Your Card Monthly Period shall be the 15th of each calendar month.
- 3.14.5 If the starting date of your latest Barclays' card monthly period was the 20th of each calendar month, the Starting Date of Your Card Monthly Period shall be the 20th of each calendar month.
- 3.14.6 If the starting date of your latest Barclays' card monthly period was the 27th of each calendar month, the Starting Date of Your Card Monthly Period shall be the 27th of each calendar month.
- 3.15 Payments due from the Second Party under this Agreement and the Murabaha Sale Contract shall be collected by the First Party by way of debit from the STI referred to in 3.13 above.
- 3.16 If the Second party fails to make any Payment on the relevant Payment Date and fails to settle the said payment during seven (7) days by way of procrastination, then the Second Party shall donate to charity an amount of AED 100.00 (one Hundred United Arab Dirhams only) to be added to any next Payment. Any delay in payment shall be deemed procrastination unless proven otherwise. The said amount shall be dispensed of for charitable purposes under the supervision of the Board. The First Party shall not retain such amount nor account for it in its profits. The direct actual charges and expenses borne by the First Party as a result of procedures conducted because of delay shall be deducted from the said amount.

## **4 The Terms and Conditions of the Services**

- 4.1 The Second Party, acting through the Agent, hereby appoints the First Party who accepted such appointment as a Services Agent of the Second Party according to the terms and conditions set out in this Agreement..
- 4.2 upon concluding the Grouped Murabaha Sale Contracts and upon the Second Party's instruction (through the Agent) to the First Party (as messenger) to forward the Second Parties Offer to Sell the Commodities to the Third Party Purchaser, the First Party shall perform its role as a messenger and communicate/send to the Third Party Purchaser Your Offer to Sell Commodities to the Third Party Purchaser.

- 4.3 The Second Party hereby authorizes the First Party to collect the amount of the selling price of the Commodities of the Second Party ("Sale Proceeds") from the Third Party Purchaser.
- 4.4 If the Second Party has not deposited the Security Amount (as defined in clause 3.15 of this Agreement) in the STI of the Second Party with the First Party according to clause 3.15 of this Agreement, the Second Party hereby authorizes the First Party to credit the Sale Proceeds to the above STI. If the Second Party has deposited the Security Amount in the above STI according to clause 3.15 of this Agreement, the Second Party authorizes the First Party to credit the Sale Proceeds to the current account of the Second Party with the First Party.
- 4.5 The Second Party authorizes the First Party to use the Security Amount to pay /settle with merchants, banks and any other service provider amounts and cash withdrawal incurred by the Second Party's use of the Card, or by the use of the Supplementary Cardholder according to the terms and conditions of the Card.
- 4.6 The First Party shall be entitled to deduct from the Security Amount all costs, charges and expenses incurred by the First Party, and to deduct any other charges and fees determined by the First Party from time to time, for the use of the Card by the Second Party and by any Supplementary Cardholder from the Security Amount.
- 4.7 The First Party may in its absolute discretion perform any of its obligations or duties hereunder by appointing any party, provided that any such appointment shall be on terms and conditions not materially different from those set out in this Agreement.
- 4.8 If the Second Party or any Supplementary Cardholder uses the Card to withdraw cash from the Security Amount, the First Party shall be entitled to apply a withdrawal fee as set out in the applicable schedule of charges of the First Party.
- 4.9 The Second Party agrees to indemnify the First Party against all actual losses, claims, actions, proceedings, damages, costs and expenses incurred or sustained by the First Party as a result of performing the services herein, or in connection herewith, except where the First Party acts in bad faith or is negligent.
- 4.10 The First Party shall be liable to the Second Party if it acts in bad faith or is negligent of the Second Party's interests.
- 4.11 This Agreement and all ancillary documents and contracts relating to it shall be governed by the laws of the United Arab Emirates to the extent that they do not conflict with the principles of the Islamic Shari'a, as determined by the Board, in which case the latter shall prevail. The Parties hereby submit to the jurisdiction of the courts of the United Arab Emirates as applicable in the Emirate of Abu Dhabi for all matters arising out of or in connection with this Agreement and all ancillary documents and contracts relating to this Agreement.

Schedule 1

The System Record of Murabaha Sale Contract\*

**I. First Party’s Offer to Sell**

Pursuant to the terms and conditions of the Agreement between the Parties dated ..... 2014, the First Party, has hereby sold the Commodities mentioned below as follows:

1. **Description of the Commodities:** .....
2. **Quantity:** .....
3. **Being a common share in the commonly shared quantity of :** ..... **with Certificate/Warrant Number:** .....
4. **Original Cost :** .....  
**(amount in words) :** .....
5. **Profit Amount:**.....  
**(amount in words) :** .....
6. **Total Selling Price:**.....  
**(amount in words):** .....
7. **Payment of the Total Selling Price shall be made over a period of ten (10) years as follows:**  
The amount of     is payable in one hundred and twenty (120) monthly installments on each Last Day of Your Card Monthly Period starting from next month. Each monthly installment due shall be this amount divided by three thousand six hundred and fifty four (3654) and multiplied by Your Card Monthly Period by the end of which the monthly installment is due. The remaining amount of the Total Selling Price shall be payable in the last twelve (12) months of the payment period in twelve (12) equal monthly installments each due on the aforementioned date of each month.

**II. Second Party’s Acceptance to Purchase (confirmation record)**

The Agent’s confirmation (on behalf of the Second Party) for accepting the First Party’s offer to sell that is specified above : **Accepted (ddd/mmm/yyyy/hh:mm:ss** as a part of the conclusion of the Grouped Murabaha Sale Contracts).

**Note:** Pursuant to clause 3.1 and its sub-clauses, the Agent on behalf of the Second Party, hereby confirms through the System the records of the particulars of the above Murabaha Sale Contract which has been concluded as a part of the Grouped Murabaha Sale Contracts that was concluded between the Agent, on behalf of the Second Parties and the First Party through the System.

\* (which has been concluded as a part of Grouped Murabaha Sale Contracts pursuant to clause 3.1 and its sub-clauses of this Agreement)

Schedule 2

The System Record of the Offer to Sell to the Third Party Purchaser\*

**I. Second Party's Offer to Sell to the Third Party Purchaser**

This Offer is made on the above date and time by

**Name:** .....

**Address:** ..... ("Second Party") acting through the Agent

To: Condor Trade Limited, Ground Floor, Regus House, Victory Way, Admirals Park, Crossways, Dartford, Kent, DA2 6QD, United Kingdom ("Third Party Purchaser")\*

The Second Party acting through the Agent hereby offers to sell to the Third Party Purchaser his/her common share of commodities as follows:

1. **Description of the Commodities:** .....
2. **Quantity:** .....
3. **Being a common share in the commonly shared quantity of :** ..... **with Certificate/Warrant Number:** .....
4. **Selling Price :** .....  
**(amount in words) :** .....

5. This Offer to Sell is valid for two (2) weeks from the date mentioned below.
6. The Second Party acting through the Agent hereby instructs ADIB to act as a messenger to forward his Offer to Sell to the Third Party Purchaser. The First Party hereby agrees to indemnify ADIB against any actual claims or actions made against ADIB by reason of ADIB acting as messenger hereunder, unless resulting from ADIB's negligence or misconduct. ADIB shall be under no obligation to act as messenger for the Second Party or any other party in any subsequent transaction by reason of acting as messenger herein.
7. Pursuant to the terms and conditions of the Agreement, the Agent through the System confirms on behalf of the Second Party, the Second Party's offer to sell to the Third Party Purchaser his/her common share of the Commodities in accordance with the above:

The Agent's (on behalf of the Second Party) **confirmation** through the System for the Second Party's Offer to Sell to the Third Party Purchaser that is specified above:

**Confirmed (ddd/mmm/yyyy/hh:mm:ss as a part the Grouped Offers to Sell to the Third Party Purchaser).**

**Note:** Pursuant to the terms and conditions of the Agreement, the Agent on behalf of the Second Party, hereby records through the System the confirmation of the particulars of the Second Party's Offer to Sell to the Third Party Purchaser as above, which has been confirmed as a part of the Grouped Offers to Sell to the Third Party Purchaser that was executed by the Agent, on behalf of the Second Parties through the System on the above date and time.

\* (which has been concluded as a part of Grouped Offers to Sell to the Third Party Purchaser pursuant to clause 3.1 and its sub-clauses of this Agreement)