

KEY FACTS STATEMENT

FINANCING AND TRADE FINANCE SOLUTIONS

Category	Trade & Working Capital	
Key Solutions	Imports (Includes local purchases)	Solution Characteristics
	<ul style="list-style-type: none"> Letter of Credit (LC) Issuance (including revolving, transferrable, standby) 	<ul style="list-style-type: none"> We issue the LC document on behalf of the customer for the purpose of facilitating/financing international trade; this document stipulates that payment will be made for goods or services supplied, provided that the exporter complies with all terms and conditions. Available to both Relationship Based Finance (RBF) and Liability customers. For Liability customers, a minimum collateral of 100% requirement will apply. The LC is irrevocable
	<ul style="list-style-type: none"> Inward Bills for Collection (IBC) 	<ul style="list-style-type: none"> We act as an agent to handle the collection of Documents against Payment (DP) or Documents against Acceptance (DA) received from your suppliers. We act as the intermediary to facilitate your trade settlement on terms agreed with your supplier. Available to both RBF and Liability customers
	<ul style="list-style-type: none"> Avalization 	<ul style="list-style-type: none"> We provide a freely transferable guarantee to pay the beneficiary on the due date on behalf of the customer. Exclusive to RBF customers. This undertaking is irrevocable. It is the customer's responsibility to perform a full due diligence on the supplier
	<ul style="list-style-type: none"> Import LC Finance 	<ul style="list-style-type: none"> We provide Financing to facilitate the customer's purchases made through LCs. Exclusive to RBF customers
	<ul style="list-style-type: none"> IBC Finance 	<ul style="list-style-type: none"> We provide Financing to facilitate the customer's purchases upon collection of the DP or DA. Exclusive to RBF customers
	<ul style="list-style-type: none"> Purchase Invoice Finance 	<ul style="list-style-type: none"> Where the customer and supplier have been dealing with each other directly, we may provide Financing according to Shari'a compliant structures to release the funds on the customer's behalf. Exclusive to RBF customers
	<ul style="list-style-type: none"> Shipping Guarantee (SG) 	<ul style="list-style-type: none"> At times, goods reach the destination port earlier than the shipping documents. Extended storage of goods by the agents may incur costly charges. Under such situations, the customer will be issued an SG to clear the goods in the absence of the Bill of Lading (BOL). Exclusive to RBF customers
	Exports (Includes local sales)	Solution Characteristics
	<ul style="list-style-type: none"> LC Advising 	<ul style="list-style-type: none"> We review the LC to confirm that it is genuine. Available to both RBF and Liability customers
	<ul style="list-style-type: none"> LC Transfer 	<ul style="list-style-type: none"> We facilitate the transfer of an LC based on the instruction of one beneficiary to another. Available to both RBF and Liability customers
	<ul style="list-style-type: none"> LC Confirmation 	<ul style="list-style-type: none"> We provide an additional layer of undertaking for Export LCs. Available to both RBF and Liability customers
	<ul style="list-style-type: none"> Export LC Finance (post-acceptance against FI Risk) 	<ul style="list-style-type: none"> We disburse the funds to the customer upfront and take on the risk of the LC issuing bank. Available to both RBF and Liability customers
	<ul style="list-style-type: none"> Assignment of Proceeds 	<ul style="list-style-type: none"> We facilitate the transfer of all or part of the proceeds from a LC to a third-party beneficiary. Available to both RBF and Liability customers

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<ul style="list-style-type: none"> Outward Bills for Collection (OBC) 	<ul style="list-style-type: none"> We act as an agent to handle your DP or DA to any of your buyers globally. Available to both RBF and Liability customers
<ul style="list-style-type: none"> Sales Invoice Finance 	<ul style="list-style-type: none"> We advance funds against unpaid invoices prior to customer payment. Exclusive to RBF customers
<ul style="list-style-type: none"> Avalized Bills Finance (post acceptance by the collecting bank against FI risk) 	<ul style="list-style-type: none"> We provide Finance to the customer against the risk of the avalizing Bank following the acceptance of the Bill. Available to both RBF and Liability customers
Guarantees	Solution Characteristics
<ul style="list-style-type: none"> Bid Bond, Advance Payment Guarantee, Performance Bind, Retention Guarantee, Maintenance Guarantee, Financial Guarantee and Labor Guarantee 	<ul style="list-style-type: none"> We provide a conditional undertaking to pay the stated amount of funds to another party, in accordance with the terms and conditions stated in the guarantee. Available to both RBF and Liability customers. This undertaking is irrevocable, unless stated otherwise
Capital Expenditure (CAPEX) Finance / Fixed Assets Finance	Solution Characteristics
<ul style="list-style-type: none"> Vehicle Finance Equipment & Machinery Finance 	<ul style="list-style-type: none"> We provide Business Asset Finance to support customers' expansion by financing key equipment and other capital expenditures related to the business.
Real Estate Finance	Solution Characteristics
<ul style="list-style-type: none"> Residential and Commercial Finance or mixed-use buildings against rental income Business owned used properties (e.g., offices, warehouse, plant, retail) 	<ul style="list-style-type: none"> We provide Shari'ah Compliant Real Estate Finance solutions to enable customers to purchase new property or release equity

Key Eligibility Criteria	
1. Number of Banking Relationships	1. Max Banks (excluding ADIB) to be 5 & Max Unsecured Instalment Finance to be 3
2. Al Etihad Credit Bureau Reports for obligor (SME) and Guarantor / active partners (UAE National & expats)	2. No default history (A rating above 700 is considered a good credit score in the UAE).
3. Central Bank Risk Bureau Reports for obligor (SME) and Guarantor / active partners (UAE National & expats)	3. Normal classification
4. Audited Financial Statement (AFS)	4. Min. 3 years AFS from one of ADIB approved list of auditors showing positive NP in last 2 audited financials and positive net worth
5. Age of owner / Key Man / Active partner	5. Must be 30-65 (25-65 if family business)
6. Length of Business (Years of Incorporation)	6. >=4 Years

KEY FACTS STATEMENT

Cost of Finance: "Any payments made by the Customer to the Bank under these products and services provided shall be exclusive of VAT. The Customer shall pay to the Bank an amount equal to any VAT, if and / or when it becomes applicable, in addition to and at the same time as such payments are made".

Trade & Working Capital - for full details, please refer to the schedule of charges here: www.adib.ae/en/trade-finance

• Profit Rate	As per risk-based considerations, this will be subject to the agreement with the customer and will be incorporated in the Facility Offer Letter which will be signed by both parties
• Processing Fees / Upfront Profit	As per risk-based considerations, this will be subject to the agreement with the customer and will be incorporated in the Facility Offer Letter which will be signed by both parties
• Fees & Commissions	

Fees & Commissions related to Imports / Exports / Guarantees

Issuance Commission on Standard LC	0.25% Per Month (Min. 3 months) Min. AED 500 For transactions involving High Risk Countries: 25% above our standard Import LC Issuance Charges
Transfer of Export LC	0.25%, Min. AED 750 – 1000 plus scrutiny fee of AED 500 (where applicable) For transactions involving High Risk Countries: 25% above our standard charges
Charges for SG / Customs Duty Guarantee - 0.25% pm. Min. AED 250	0.25% pm. Min AED 250

Other Trade related Charges (per transaction):

• Normal SWIFT/telex charges	AED 100
• Full text SWIFT/telex charges	AED 400
• Courier charges	AED 300
• Postage charges	AED 200
• Request for photocopy of documents	Less than 3 months old AED 100 per page; up to 6 months old AED 200 per page; 6 months to 3 yearly old AED 300 per page; over 3 years old AED 500 per page

CAPEX Finance / Fixed Assets Finance and Real Estate Finance

Profit Rate	
Processing Fees / Upfront Profit	As per risk-based considerations, this will be subject to the agreement with the customer and will be incorporated in the Facility Offer Letter which will be signed by both parties
Fees & Commissions	

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Shari'a Structure

Varies according to each product, for more details please refer to the related agreement.

- Varies according to proposed solution and nature of the transaction, for more details please refer to the related agreement. Sharia structure encompasses but not limited to Goods Murabaha, Good Murabaha with agency, Local Purchase Order (LPO) Goods Murabaha, Controlled Islamic Corporation for the Development of the Private Sector (ICD) Ijarah, London Metal Exchange (LME) Murabaha, National Bonds Corporation (NBC) Sukuk Murabaha, etc.

Key Terms and Conditions

"Subject always to the General Terms and Conditions for Accounts and Islamic Banking Services (Non-Individual Customers), in addition to any other agreement that varies according to proposed solution and nature of the transaction please refer to ADIB Website <https://www.adib.ae/en/business>"

- The Bank may either accept or reject the Customer's application at its sole discretion. In case of rejection, the Bank will inform the customer in writing, within reasonable time, about the rejection along with providing with reason for refusal wherever possible.

WARNING: In the event that the Customer fails to meet the agreed terms and conditions, the Bank reserves the right to terminate the relationship, restrict the Customer's accounts, apply fees or charges in accordance with the signed terms and conditions, or submit adverse reports to the credit agency.

Documentation

Additional documents may be requested according to ADIB policies and procedures

- AECB Report (For Company & Owners)
- Original valid passport, residence visa, and Emirates ID for the signatories / partners
- Net worth statements of owners/personal guarantors
- Memorandum of Association (if LLC) along with amendments and POAs (if any)
- Valid trade license
- Last 3 years Audited Financials
- Latest Management Accounts
- Related party financials (if applicable)
- National Identification (if required)
- Emirates ID of all resident partners
- Credit Investigation Reports
- Commercial registration
- Other documents could be requested on a case-to-case basis.

¹Obligor refers to a buyer who is obligated to repay a Financing amount.

²High Risk Countries: Any country deemed high risk as per ADIB compliance department.

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Trade & Working Capital

WARNING

- **Political or Country Risk:** You should be mindful of risks arising from the actions of governments and authorities or regulators which may result in detrimental effects to trade with counterparties within their jurisdiction. This may lead to the imposition of restrictions of imports, raising of import duties and restrictions on foreign exchange outflows from the country. The customer should be fully aware of the international and local regulations that govern the Trade & Working Capital products, including but not limited to Uniform Customs and Practice (UCP) 600, International Standard Banking Practice for the Examination of Documents Under Documentary Credits (ISBP) (2013), Uniform Rules for Collections (URC) 522 and Uniform Rules for Demand Guarantees (URDG) 758 and any applicable laws and regulations.

Real Estate Finance

WARNING

If you do not keep up your payments, you may lose the financed property.

All Financing Products (Trade Finance, CAPEX Finance and Real Estate Finance)

WARNING

If you do not meet the payments on your financing, your account will go into arrears. This may affect your credit rating, which may limit your ability to access financing in the future.

Refinancing your existing financing may take longer to pay off than your previous financing and may result in paying more in profit.

APPLICANT ACKNOWLEDGEMENT

"I/We, the undersigned hereby declare that I have read, understood and accepted the above Key Fact Statement. Accordingly I hereby sign."

Applicant Name:

Applicant Signature and Date: