

KEY FACTS STATEMENT - Murabaha Auto 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 Facts Statement is provided to help you (you", "Consumer or "Customer") compare this Auto Finance with the Auto 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:

Vehicle Value:

Requested Tenor:

Vehicle from Dealer (Name of the Dealer) or Individual Seller:

Nationality:

Vehicle Status: (New / Old)

Anticipated Down Payment to be Paid by Customer (min. 20%):

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

This product is based on Murabaha where aafaq, based on your request, purchases an identified car from a dealer or third party then sells it to you on Murabaha basis (by disclosing the cost and profit) upon aafaq getting title and possession of the same.

Finance Amount (Refer to the example)	Anticipated Down Payment eg,20%	Example: Vehicle value: AED 100,000 Down payment AED 20,000 Net Finance Amount AED 80.000
Payment method (refer to the example)	Equated monthly installment (EMI)	Example: Net Finance Amount AED 80.000 + profit portion /Tenor
Applicable fixed profit rate	2.10% p.a to 5.50% p.a fixed rate (3.84% p.a to 10.06% p.a in reducing financing) * financing tenure up to 5 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 and processing fee	one-time due diligence and documentation fee : Minimum AED 525 - Maximum AED 2625 (inclusive of VAT) (All processing fees calculated based on actual expenses)	

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Applicable late payment undertaking to donate	AED 525 (inclusive of VAT)	In the event of customers failure to pay any sum due and payable under the finance agreement and documents (the due amount), the customer donates an amount of AED 525 in relation to such due amount which shall be routed to the designated charity through the finance company (on behalf of the customer) under the supervision of its internal sharia supervision committee (ISSC) after deducting of its actual collection expenses(attributable to the subject transaction)as per the approved police by the finance company's ISSC
Applicable documentation coordination / credit appraisal fee /deferment /postponement fee	AED 105	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 (3) installments
Applicable early settlement charges	1.05% of the remaining value	Incase you intend to early pre-settle (full or partial pre settlement) the facility before making the full final installment date payment to the finance company, the finance company at its own discretion and as per the central bank of UAE guidelines may offer you a rebate on the outstanding component of the amount due to the finance company. Please refer to see the below example for how the fees will be calculated If the total outstanding is AED 79,000 then the calculation of early settlement fee will be as follows: $AED\ 79000 \times 1.05\% = 829.5$
Other fees and charges	All charges related to auto 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 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.	
Down payment	Standard down payment of 20% of vehicle value is required as per the UAE central bank regulations. The down payment may vary based on the vehicle category, Client segment, self-employed and Companies. The down payment paid by the customer shall be made part of the Murabaha sale price and shall be deducted from the cost (financing Amount) _____AED	

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

There may be circumstances in which other fees such as vehicle evaluation fee (if applicable) and car registration fee may be payable. 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

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 auto finance or other financial institutions offers and compare profit rates, fees and features before you apply for an auto finance. Choosing the best auto finance for you may save your money. You should request key facts statements when looking for an auto finance from other financial institutions to help you find the auto 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
- Mortgage release (Active/closed/temporary)
- Registration services
- Change of vehicle description
- Block/unblock/change block amount
- 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 own the vehicle and bear all its associated risk including takaful and maintenance.
- A vehicle is a depreciating asset which means that there will be a variance between the market value of the vehicle and the finance outstanding amount with the financial institution.
- Financial institution may repossess the vehicle in case of default which means that there will be a court case against you and the financial institution will repossess your vehicle through authorities.
- 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 Auto 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 Auto 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 Auto Finance against fixed deposit 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 Auto 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 Auto finance is available through

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

Terms and conditions

- Key Facts Statement contains information about auto finance product to help you compare and select the most appropriate auto finance for you.
- This Key Facts Statement is not an offer of credit. The financial institution is not obliged to provide you with the auto 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).
- The amount shown in this Key Facts Statement will change if profit rates, fees and charges change and if a different finance type, finance term or finance amount is used.
- 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
- 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 and with appropriate time to review before signing it.
- In order to start with your auto 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
- 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 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 Auto 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 600502006
- Internet
- Email customer.care@aaafaq.ae
- Our website complaint form
- By post: complaints management team, Aafaq Islamic finance, POBox 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.

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 Auto 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