

Key Fact Statement (KFS)

Personal Finance - Islamic Banking Services



This document reflects product-specific Terms and Conditions governing Personal Finance in addition to Al Masraf – Islamic Banking Services General Terms and Conditions for Customers.

The Key Facts Sheet highlights important information about Personal Finance such as the Profit rate, installment amount and provides you with the total amount to be pay back over the life of the Finance

Eligibility

- UAE National or UAE Resident
- Minimum age 21 years old or over at the time of applying Finance
- Min Salary AED 7,000 for UAE Nationals and AED 10,000 for Expats working in approved company with Bank
- Min length of service 6 months and confirmed employee
- Maximum Finance Amount up to 20 multiples of salary
- Maximum Tenor up to 48 months
- Self- Employed are not eligible for Personal Finance

Features & Benefits

- High Finance amount up to 20 Multiples (As per Bank's Policy)
- Repayment up to 48 months
- Fully compliant with Sharia rules.

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Additional notes and Frequently Asked Questions

1. Personal Finance:

Personal Finance given to individual customers, where the repayments are made out of Salary and End of Service – EOSB and /or any other regular income from a well-defined source.

2. Finance Structure:

Our Personal Finance based on Sharia structure of Commodity Murabaha through DMCC. This is Shariah compliant sale where Al Masraf discloses the actual cost incurred in acquiring the commodities and then sells these commodities to you for an agreed profit.

3. Equal Monthly Installment (EMI):

- You will pay Principle + Profit (as per Bank's prevailing rate) to the Bank on monthly basis.
- You are required to pay the EMI on due date to the Bank as per the repayment frequency.

Example:

Finance amount requested by : AED 50,000
customer (Principal)

Finance duration : 4 years (48 months)
Murabaha Rate : 2.48% per annum
Period (annual days basis) : 360 days
Murabaha Formula : Principal * Rate * No of days/ Days Basis = AED 3.44 per day

Thus EMI for Month 1 would be : AED 1,144.93

Finance duration 4 years (48 months)	Principal Amount	Murabaha Rate 2.48% per annum	Equated Monthly Installment For the first month
Month 1	50,000	103.33 for the month $50,000 * 2.48\% * 30 \text{days} / 360 = 103.33$	1,144.99

Warning: These figures are estimates/ examples only.

4. Maximum Finance Amount:

The Maximum Finance Amount you can borrow with a Personal Finance depends on your income, expenses, liabilities etc. Bank will considers all your expenses and liabilities to make sure you can make repayments on the Finance without placing yourself under financial stress

5. Life Takaful:

- You are required to choose the Life Takaful from one of the three Bank's approved Takaful provider selected by the Bank for the entire Finance Tenor and it will be assigned to Arab Bank for Investment Foreign Trade (Al Masraf).
- The Life Takaful should cover your Finance outstanding in the event of the death due to any reason, terminal illness and permanent total disability to mitigate the risk associated with the life.
- The Life Takaful premium calculated on the Finance outstanding amount i.e. Monthly Premium = Finance outstanding amount x Life Takaful rate %
- The Life Takaful premium may not be fixed amount as it calculates on the Finance outstanding and paid on monthly basis to the Bank. The Bank will deduct this amount along with the Finance EMI from the Customer's account.
- The Life Takaful premium may increase or decrease during the Finance Tenor based on the Takaful provider rate
- The Life Takaful coverage should be in place prior to acceptance of the offer and disbursement of Finance by Bank.
- Non-payment of Life Takaful payments shall be consider as an event of default under the facilities.

6. Salary Transfer to the Bank

You required to transfer your monthly salary to Arab bank for Investment & Foreign Trade & provide all the necessary documents for the same. In case of any change in your employer/ retire from the employment, you must transfer your new salary/pension to Al Masraf until the Finance is fully and finally settled.

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Islamic Banking Services الخدمات المصرفية الإسلامية

7. Non Salary Transfer to the Bank

In case of non-salary transfer to Al Masraf, differential pricing as per Schedule of Fees and Charges will apply. A minimum salary of AED 15,000 and maximum finance amount of AED 200,000 will apply. You will require to assign Direct Debit Authority – DDA to Arab bank for Investment & Foreign Trade and based on which the installment will be debit from your bank account and repay installment.

In case of changing your employer/ retirement, you transfer your new salary/pension to Arab bank for Investment & Foreign Trade (Al Masraf) until the Finance is fully settled.

8. Top Up

You can avail Top Up on your Personal Finance under the following conditions:

- Minimum of 12 installments to be paid before applying Top Up Finance
- You will require to pay Top Up fee as per Schedule of Fees & Charges available

9. Installment not paid on time:

You shall pay the monthly installment on due date, and if you fails to pay three installments, the agreement shall be terminated and the remaining installments shall become payable after the Bank is given a notice to pay within a period of 15 days and the Bank have the right to take the legal procedures.

10. Delay penalty:

Bank is entitled to charge delay penalty fee (as per Bank's Schedule of Fees & Charges available on Almasraf.ae) from the due EMI after the lapse of the payment due date or EMI date on Finance as a commitment to donate to charity, on monthly basis until all payments due or installments are paid, the amounts of the commitment to donate are transferred to the charity account under the supervision of the Internal Shariah Supervision Committee of Islamic Banking Services.

11. Schedule of Fees:

This Finance is governed by Schedule of Fees. In the event any of these fees are due to be paid, such fees should be paid by the customer.

- Al Masraf publishes its Retail Banking Schedule of Charges in line with its commitment to a transparent Customer relationship. ([Click here to refer to Retail Banking Schedule of Charges](#))
- Customer are strongly encouraged to write to us on info@almasraf.ae in case of need for more clarity on any fees charged to the account

12. Partial Settlement:

Bank will allow partial settlement during the Finance term and you will be required to pay the applicable fees as mentioned in the Schedule of Fees & Charges ("SOF"), which is published on Al Masraf website (www.almasraf.ae). You will have the following options:

- Pay same monthly installment and reduce the tenor OR
- Decrease your monthly installment and maintain the same Tenor

13. Deferment or Postponement

Deferment is the delay or suspension of EMI for maximum 2 months during the calendar year. You are required to submit the request at our Branch and mentioned the reason for deferment and pay the applicable fee mentioned on our website (www.almasraf.ae). The Bank will assess your request based on the eligibility and policy and accordingly defer the monthly installment as per request

Due the deferment, the Finance maturity period will be increased by the number of deferments availed by you during the Finance term.

14. Personal Finance closure

You can request to close the facility by submitting the request by visiting any of Al Masraf Branches and submit the Early Settlement Form. The applicable Early Settlement Fee ([you may visit www.almasraf.ae Schedule of Fees page](#)) will be charge on the Finance outstanding amount.

15. Early Settlement:

In case of Early Settlement, full outstanding after deducting the early settlement incentive as decided by UAE CB regulation, and any other fees, charges and taxes have to be settled in full. Early settlement fee as per applicable Schedule of Fees and Charges of the Bank mentioned on www.almasraf.ae

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Example:

Outstanding Principal Amount	:	AED 96,660.50
Profit Amount	:	AED 193.32
Early Settlement Fee ("ESF")	:	AED 966.61
VAT on ESF	:	AED 48.33
Early Settlement Amount	:	AED 97,868.76

Warning: These figures are estimates/ examples only and the Profit Amount may vary depend on the settlement date

16. Finance Reschedule

Customer must inform the Bank in case your monthly income is reduced due to (Salary reduction from the employer, allowances withdraw/ retire from employment, loss of employment and turning into a pensioner or any other reason), Al Masraf will assist you to reschedule the existing Personal Finance for applicable tenor to maintain your monthly expenses vs income.

17. VAT:

For the avoidance of doubt, VAT is additional to, all amounts / fees mentioned in the Schedule of Fees are exclude with VAT at the prevailing rate.

18. Further queries and/or clarifications

In case of queries please to send an email to info@almasraf.ae for more clarity before signing to the Offer Letter and Legal Agreements of Personal Finance. You should provide copy of E-ID / Passport and Visa page, UAE Mobile number and RIM to facilitate a timely response

19. Cooling period:

Al Masraf- Islamic Banking Services grants the customer the right to a cooling-off period of complete 5 Business Days to revoke the signed agreement without incurring any penalty or charges. The customer also has the right to waive the Central Bank's required cooling-off period of complete 5 Business Days by signing a written waiver form provided by the Bank.

Declaration

Customer hereby agrees to the above conditions and declares to the below by signing this KFS:

- Customer acknowledges to have received and understood the Personal Finance terms and conditions for as well as the Key Facts Statement
- Customer has been provided with the Data Protection Statement ([Click here to refer to Data Protection Statement](#))
- The Bank reserves the right to change terms and conditions at a later date
- The Bank will give the notice period (60 days) before implementing any future and Permissible change in terms and conditions
- Customer acknowledges that this facility may be withdrawn or terminated by the Bank at any time up on issuing a Sixty (60) days written notice
- By agreeing to the Al Masraf Personal Finance terms & conditions ("Terms"), you are agreeing that we may change them at Bank's discretion at any time. If we change any part of these Terms, we will give you at least 30 days' notice in advance, unless one of the exceptions in clause () of the Terms applies

Customer Name:	
Signature & Date	