

WARNING: Please 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 Auto Finance options offered by other Banks / Financial Institutions. You have the right to receive KFS from other Banks / Financial Institutions for comparison.

Definition

"You", "your", "Customer" or "Customer" means the customer "We", "our" and "us" refers to Aafaq Islamic finance 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).

About Auto Finance Product

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 (E.g., 20%)	Example: Vehicle value: ₪ 100,000 Down payment ₪ 20,000 Net Finance Amount ₪ 80,000
Payment method (refer to the example)	Equated monthly installment (EMI)	Example: Net Finance Amount (₪ 80,000 + profit portion/Tenor)

Eligibility

To qualify for Auto Finance, you should earn a minimum monthly income of ₪ 5,000 with age between 21 – 65 years.

Profit Rate

Annual Profit Rate	<ul style="list-style-type: none"> Flat profit rate starting from 2.5% per annum. APR includes applicable profit rate and processing fees expressed as an annualized rate. Annual Percentage rate (indicative) starting from 3.5% per annum.
Calculation Methodology	Using effective rate on reducing principal basis.
	<ul style="list-style-type: none"> Profit computation methodology: (Principal outstanding x profit rate/365) x no.of days in the month. Profit will accrue on daily basis. There will be no change of profit rate and it will remain fixed for the entire finance period. Aafaq will not charge any additional profit on accrued profit on any Financing product granted to Customers.

Description	Fee and Charges Details	Example
Processing fee (Retail Customers)	1% of the finance amount (Min ₪ 500 - Max ₪ 2,500)	If the total Auto Finance amount is ₪ 100,000 then the calculation of processing fee will be as follows: ₪ 100,000 x 1% = ₪ 1,000.00
Processing fee (Company /Fleet Deal)	1.5% of the finance amount or minimum ₪ 500. All processing fees calculated based on actual expenses.	If the total Auto Finance amount is ₪ 200,000 then the calculation processing fee will be as follows: ₪ 200,000 x 1.5% = ₪ 3,000.00
Late payment fee	₪ 500 Max	

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 ₪ 500 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 shari'a 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

Deferment of Instalment	₪ 100
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Note: Maximum of 2 deferments per finance year are permissible subject to the below conditions:

- Customers should not be delinquent on any of his/her facility at the time of deferment request
- No back-to-back deferments allowed, at least 2 installments should be paid in between deferrals.
- For new finance, minimum of 6 installments should be paid before first deferment.

Early / Partial settlement charges (Retail Customers)	1% of the outstanding up to a maximum of ₪ 10,000	Example for how the fees will be calculated If the total outstanding is ₪ 79,000 then the calculation of early settlement fee will be as follows: ₪ 79000 x 1% = ₪ 790
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In case of partial settlement, the payment against the outstanding principal amount will be settled and outstanding profit will remain the same. The finance will be rescheduled based on customer's request depending on tenure and installment amount. The profit will be proportionately adjusted in cases of partial and early settlement, based on the remaining outstanding principal amount.

Financing tenure	Up to 5 Years
Finance Cancellation Fee	₪ 100
NOC to Traffic Department	Free

Clearance Letter	₹ 50
Monthly E-statement	Free
Replacement of Post-Dated Cheques (per request)	₹ 100
Liability Letter Fee	₹ 60
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).
DDA / Cheque Return Fee	₹ 100
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://aafaq.ae/en/schedule-of-charges-fees for other charges that may apply during the tenor of your relationship with the finance company.

**All fees and charges are excluding 5% VAT.*

Cooling Off Period: Khiyar Al-Shart (Cooling off Period) is defined as a period after a contract is agreed during which the buyer can cancel the contract without incurring a penalty. Aafaq provides a 'Cooling Off Period' of 5 complete business days from the date of signing this KFS for you to decide in continuing to proceed with your finance application. Customers have the right and may waive cooling-off period of complete 5 business days by signing a written waiver provided by Aafaq Islamic Finance. If you choose to waive your Cooling Off Option, you will be entering into the agreement with immediate commitment and will be bound by the terms and conditions of the agreement once signed.

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. Aafaq is not permitted to charge profit on accrued profit in accordance with the Article (121), Clause 3 in Decretal Federal law No. (14) of 2018, Regarding the Central Bank & Organization of Financial Institutions and Activities.

Where to apply for this product?

This Auto Finance is available through

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

Warnings and consequences

By availing this product, you might be exposed to the following risks:

1. In the event of default in the payment of monthly instalments of credit facilities availed Aafaq and or its authorized collections agents might visit your office premises for follow up against the overdue and outstanding instalments amount towards Aafaq.
2. If you default, Aafaq 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.
3. In case of early settlement of this Auto Finance, Aafaq will be entitled to charge the actual cost incurred by it which will be decided at the time of early settlement.
4. In case of late payments or non-payment of this Auto Finance, you may be exposed to and not limited to the following consequences:
 - Late payment donation, where we 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 collaterals, collection Fees and claim on guarantees.
 - Legal actions through the courts.
5. In case of Auto Finance against fixed deposit as security. the financial institution may liquidate your fixed deposit in case of payment default.
6. Aafaq may use your personal data to send you promotions.
7. 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.

1. Key Facts Statement contains information about Auto Finance product to help you compare and select the most appropriate Auto Finance for you.
2. 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.
3. The profit rates fees and charges are those that apply as at the date of production of this Key Facts Statement.
4. 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).
5. 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.
6. Customer is responsible for the following:
 - o Keeping his/her financing correspondence secure for future reference.
 - o Verifying the accuracy of any account / transaction statements sent to them.
 - o Confirming his/her contact information and identification when changes occur through Aafaq branches and Call Centre only.
7. In the event that the Customer fails to meet the agreed terms and conditions, Aafaq reserves the right to terminate the relationship, restrict the Customer's accounts, apply fees or charges in accordance with the signed terms and conditions, apply a penalty or submit adverse reports to the credit agency. Additionally, you may also be exposed to other Risks and Consequences stated in this KFS.
8. The Customer alone shall be responsible for the correctness of the information and data that are provided to make this Key Fact Statement.
9. 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.
10. 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.
11. Aafaq Islamic Finance (Aafaq) has a strict policy of keeping customer information secret and secure. Refer to <https://www.aafaq.ae/en/privacy-policy> for more information.
12. SMS alerts related to your Auto Finance sent by Aafaq are free.
13. 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.
14. 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.
15. Full version of these terms and conditions is available on the website at the following www.aafaq.ae
16. 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 shari'a as interpreted by the Internal shari'a Supervision Committee of the financial institution.
17. This is a shari'a compliant product, please visit Aafaq website <https://aafaq.ae/en/sharia-compliance> for details.

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 shari'a 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.

Complaints and suggestions

For complaints and suggestions, you may visit any of our Branches and submit in writing or verbally to our Customer service officer. You can also call our Phone Banking on 600502006 and we will be happy to assist. Alternatively, you may also use our website www.aafaq.ae or Email address customer.care@aafaq.ae

Acknowledgement

- I/We authorize Aafaq to send communication including marketing of existing products/services or promoting new products/services or related products/services (including market research and customer surveys) or any other notification via Email/SMS/Call/WhatsApp/other channels. I/We understand that I can opt-out anytime of receiving such communication by contacting Aafaq at 600502006 or customer.care@aafaq.ae.
- I/We understand and accept that my/our expressed consent is required for Aafaq to collect, process and share my/our personal information for the purposes listed in the Terms and Conditions. The information provided will be shared and retained in accordance with applicable law concerning data security and privacy protections to safeguard my/our interest as per specifications of the Central Bank of the United Arab Emirates. I/We understand that I/We have the right to withdraw expressed consent for the processing or sharing of my/our information except for the services which requires such consent for Aafaq's business operations, however in such case some services may not be available to me/us.
- I/We hereby acknowledge that I have read, understood, and agree to the content of this Key Facts Statement.
- I/We wish to waive the 5-business day cooling off period to proceed Proceed after 5-business days.

Customer Name: _____

Emirates ID: _____

Email Address: _____

Mobile Number: _____

Customer signature: _____ Date: _____