

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 Personal 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" 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).

Product Definition And Sharia Structure

Personal Finance is a facility granted to customers for access to cash, which the customer may require for purposes like education, personal expenses, marriage, travel etc. The customer will make the repayments in installments for the defined tenure.

Personal Finance facility is based on the Islamic Finance Structure of "Murabaha", where Customer or his agent will purchase Sharia compliant commodities on the DMCC Trade flow (Islamic) platform from Aafaq and is then able to liquidate the same to generate cash for itself as follows:

- Customer shall provide an irrevocable Promise to Purchase the commodities (the "Promise to Purchase" or the "Promise") in favor of Aafaq Islamic Finance.
- Aafaq Islamic Finance will purchase the commodity from the back-office A (seller) on spot for cash payment on its own account using the DMCC trade flow (Islamic) platform.
- As per the Promise to Purchase, Aafaq Islamic Finance will sign Murabaha agreement with the Customer and sell him the purchased commodity with agreed profit.
- The Customer has the right to execute the agency agreement appointing an agent for sale of the commodities on DMCC Trade flow (Islamic) platform acting for and on behalf of the customer.
- After Customer's possession of the commodity through Murabaha agreement, he has or (its agent) the right to sell the goods to a third party -back-office B (purchaser) and the sale proceeds net of expenses and charges will be credited into the customer's account with Aafaq Islamic Finance and such amount can be withdrawn by the customer for its use.
- The customer will make payment to Aafaq Islamic Finance in accordance with the agreed deferred payment schedule set out in the financing documentation based on Murabaha Agreement (point # 3).

Eligibility

To qualify for Personal Finance, you should earn a minimum monthly income of $\text{₹} 5,000$ with age between 21 – 65 years. The income requirement varies across Personal Finance variants.

Types of Personal Finance

Aafaq offers a range of Sharia-compliant Personal Finance options tailored to meet unique needs of our customers:

- Standard Personal Finance:-** Finance facility granted to customers for access to cash for purpose like education, marriage, travel, other expense, etc.
- Buy out Personal Finance:-** Finance facility which enables customers to combine their liabilities from another financial institution or institutions into a single monthly payment.
- Easy Finance:-** Simplified variant of Personal Finance, offering smaller ticket sizes tailored for short-term financial needs with tenures of up to 24 months.

Annual Profit Rates

- Flat profit rate starting from 8% per annum.
- APR includes applicable profit rate and processing fees expressed as an annualized rate.
- Annual Percentage rate (indicative) starting from 9% per annum.

Calculation Methodology	Reducing Balance methodology. As per this methodology the principal portion is reduced from the total outstanding and the profit is calculated on the reduced outstanding amount and not the original finance amount.
Instalment Frequency	Monthly

Fees & Charges

To view all our Fees and charges, you may visit our website <https://aafaq.ae/en/schedule-of-charges-fees> or call 600 502006.

Profit Rate	<ul style="list-style-type: none"> Profit computation methodology: $(\text{Principal outstanding} \times \text{profit rate}/365) \times \text{no. of days in the month}$. 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. 	Example: Principal Outstanding: $\text{₹} 100,000$ Profit Rate: 20% Number of days in a month: 30 Profit Amount: $\text{₹} 1,644$
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Other Fees & Charges

Standard & Buyout Finance Processing Fee	1% of Finance Amount, Min $\text{₹} 500$ - Max $\text{₹} 2,500$	Example: Finance Amount: $\text{₹} 300,000$ Processing Fee: $\text{₹} 2,500$ (Min $\text{₹} 500$ – Max $\text{₹} 2,500$)
Easy Finance Processing Fee	$\text{₹} 150$ - $\text{₹} 500$ (Based on Tenor)	
Takaful charge	1% of Finance Amount, payable at the time of disbursal either by cheque or you may authorize a debit against the disbursal amount.	Example: Finance Amount: $\text{₹} 100,000$ Takaful Charges: $\text{₹} 1,000$

Note: Personal Finance Takaful Scheme requirements and criteria are governed by the latest Provisions and Conditions of Takaful Service Provider available on the following link: <https://www.aafaq.ae>.

Takaful validity is from the finance date or the date the customer is included in the policy until the settlement of all installments and/or all amounts and liabilities due to Aafaq under the Personal Finance.

Late Payment Fee <i>Payable to Charity as per Sharia guidelines</i>	Maximum ₹ 200	Outstanding Amount: ₹ 100,000 Late Payment Fee: ₹ 200
Liability Letter Fee	₹ 60 per request	
Clearance Letter	₹ 50 per request	
Finance Cancellation Fee	₹ 100	
Other Statement / Documents <i>(Finance Copy, issuing redemption statements, audit confirmation etc.)</i>	₹ 25 per request	
DDA/Cheque return fee	₹ 100	
Deferment of Installment	₹ 100 per deferment	

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.
- Upon receiving the request, the deferred installment will be added to the end of the finance and the tenure will increase.

Early / Partial Settlement Charges <i>Payable at the time of settlement per request</i>	1% of the outstanding up to a maximum of ₹ 10,000	Example	
		Current Principal Outstanding	₹ 100,000
		Accrued Profit until settlement date	₹ 500
		Early Settlement Fee	₹ 1,000
		VAT on Early Settlement Fee (5%)	₹ 50
		Total Amount	₹ 101,550

Replacement of Post-Dated Cheques (per request)	₹ 100
Monthly E-statement	Free

Note:

- All Fees mentioned above and on www.aafaq.ae are exclusive of Value Added Tax (VAT). A VAT of 5% shall be applicable on all Fees levied by Aafaq.
- Aafaq reserves the right to revise the fees & charges and terms & conditions, including the profit calculation methodology at any time by providing sixty (60) days prior written notice to your registered contact details.
- 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.

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

Warnings and consequences

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

- In the event of default in the payment of monthly instalments of credit facilities availed, Aafaq and or its authorized agents might visit your office premises for follow up against the overdue and outstanding instalments amount towards Aafaq.
- 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.
- Collection measures involving collaterals, collection fees and claim on guarantees, legal actions through the courts.
- You shall pay the instalments specified in the respective Personal Finance agreement when due and if you fail to pay two instalments for any reason after being notified in writing to pay within (14) days, all the remaining instalments shall fall due and payable in one single payment.
- Aafaq Islamic Finance may use your personal data to send you promotions.

You Must Know

Cooling Off Period is a period of time after agreeing to the Product and/or Service that allows you to reconsider the purchase and to withdraw from the contract without suffering any undue costs, obligations or inconvenience.

Aafaq provides a 'Cooling Off Period' of 5 complete business days from the date of signing this Key Facts Statement 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 contract / agreement with immediate commitment and will be bound by the terms and conditions of the contract / agreement once signed.

Where to apply for Personal Finance?

This Personal Finance is offered and may be applied for through:

- Aafaq Digital - Mobile App
- Aafaq Islamic Finance Outlets & Branches
- Direct sales agents and affiliates
- Our website www.aafaq.ae

Terms and Conditions

- All Personal Finance disbursements are at the sole discretion of Aafaq Islamic Finance and this document is not an offer of assured credit. You will need to apply for the finance and meet Aafaq's eligibility criteria before we can determine whether you are eligible for this finance.
- The fees and charges are those that apply as on the date of production of this Key Facts Statement and are subject to change. You will be advised the applicable rate at which Personal Finance facility is being offered to you.
- 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).
- 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.
- The customer alone shall be responsible for the correctness of the information and data that are provided to prepare this Key Fact Statement.
- Customers are responsible for:
 - Keeping their financing correspondence secure for future reference.
 - Verifying the accuracy of any account / transaction statements sent to them.
 - Confirming to Aafaq Islamic Finance, their contact information and identification when changes occur or as requested. Requests for subsequent confirmation of information from Aafaq Islamic Finance will be in a secure manner.
- Aafaq will only collect data / personal data for a lawful purpose directly related to a Personal Finance of the customer.
- Aafaq 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.
- Aafaq has the right to write cheque date as duly when required.
- Monthly e-statements and SMS alerts sent by Aafaq are free
- Aafaq will complete the financing transaction process within 10 complete business days from the signing of the contract subject to fulfilment of all required documentation and meeting agreed terms and conditions of the finance. In case financing transaction process is not completed within 10 days from the signing of the contract, Aafaq will inform the customer via Email/ SMS on customer's preferred email address / mobile no. with reason of delay and date of completion of financing process. As a consequence of the delay caused by Aafaq of more than 10 complete business days, Aafaq will cancel the contract based on customer's request without any extra cost or penalty.
- Aafaq Islamic Finance has a strict policy of keeping customer information secure. Refer to <https://www.aafaq.ae/en/privacy-policy> for more information.
- If the finance is approved, Aafaq Islamic Finance (Aafaq) will provide you with a copy of the Islamic financing contract to read, the product structure detail & terms and condition of the contract and with appropriate time to review before signing it.
- 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 Aafaq.
- This is a Sharia compliant product, please visit <https://www.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 Aafaq. 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.

Complaints and Suggestions

For any further information or clarification, you may contact us at **600 502006** (within UAE) or email us at customer.care@aafaq.ae for inquiries, and complaints@aafaq.ae for complaints.

যেকোনো অতিরিক্ত তথ্য বা ব্যাখ্যার জন্য, আপনি আমাদের সাথে যোগাযোগ করতে পারেন **600 502006** (সংযুক্ত আরব আমিরাতে মধ্য) নম্বরে অথবা ইমেইল করতে পারেন customer.care@aafaq.ae (জিজ্ঞাসার জন্য) এবং complaints@aafaq.ae (অভিযোগের জন্য)।

കൂടുതൽ വിവരങ്ങൾക്കായോ വ്യക്തതയ്ക്കായോ, നിങ്ങൾക്ക് തങ്ങളുമായി ബന്ധപ്പെടാൻ **600502006** (അല്ലെങ്കിൽ customer.care@aafaq.ae (അന്വേഷണങ്ങൾക്കായി), complaints@aafaq.ae (പരാതികൾക്കായി)) എന്ന വിലാസത്തിലേക്ക് ഇമെയിൽ അയയ്ക്കാം.

किसी भी अतिरिक्त जानकारी या स्पष्टीकरण के लिए, आप हमसे **600 502006** (यूई के भीतर) पर संपर्क कर सकते हैं या हमें customer.care@aafaq.ae (प्रश्नों के लिए) और complaints@aafaq.ae (शिकायतों के लिए) पर ईमेल कर सकते हैं।

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: _____