



Islamic Facilities General Terms and Conditions

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al islami



المشرق
الإسلامي

The following terms and conditions ("Terms and Conditions") as amended from time to time shall in conjunction with additional specific terms and conditions (where applicable) pertaining to the particular type of Islamic Facilities (defined below) to be offered, govern the relationship between Mashreq Al Islami Finance Company PJSC (the "Company") and any corporate entity or individual, named in the Application Form (the "Customer"). The Customer hereby agrees that these Terms and Conditions shall be construed in accordance with the Memorandum and Articles of Associations of the Company, its by laws and regulations, the Central Bank's instructions and regulations, the Fatwas issued by the Sharia'h Supervisory Board of the Company and the provisions of Islamic Sharia'h. The Company shall have the sole discretion to amend, add to, or delete any provision of these Terms and Conditions at any time and to such extent as permitted by law, by any reasonable means of notification of such changes. The Customer shall be deemed to have accepted such changes should the Customer continue transacting in respect of the Islamic Facilities after receipt of such notification.

These Terms and Conditions shall govern the provision by the Company of the following facilities to the Customer:

- (a) Manfa Services;
- (b) Murabaha Facilities; and/or
- (c) Tawarruq Facilities.

In order to avail of the Manfa Services, Murabaha Facilities or Tawarruq Facilities, the Customer shall complete Personal Finance and/or Small Business Finance Application Form and enter into the Agency Agreement.

1. Definitions and Interpretation

1.1 In these Terms and Conditions (including the recitals) and the Schedules, unless the context otherwise requires and except as otherwise defined herein, the following words shall have the following meanings:

"AED" and **"Dirhams"** means the lawful currency of the UAE;

"Agency Agreement" means the agency agreement (in the form set out in Schedule 2 to these Terms and Conditions) entered or to be entered into between the Customer and the Company;

"Aggregate Amount" means the aggregate of all the Payment Amounts payable by the Customer to lease the right of usufruct in the Manfa' Services from the Company;

"Application Form" means the application form completed and submitted by the Customer to the Company in relation to the Islamic Facilities and reference to Application Form, as the context requires shall mean the application form for Manfa' Services, Murabaha or Tawarruq;

"Assets" means, in relation to a Murabaha Contract, the Commodities or Goods as identified in the Application Form or in the Quotation appended to the said Application Form;

"Business Day" means a day on which the Company is open for general business;

"Commodities" means the metals specified in the Offer and Acceptance Notice which may include any metal (excluding gold and silver) dealt with on the London Metal Exchange or other recognised commodity exchange conforming with the quality standards set by the rules of the London Metal Exchange or such other Sharia'h compliant commodities specified by the Company;

“Cost Price” means in relation to any Assets all sums payable by the Company for the purchase of such Assets from the Supplier of such Assets and includes all Taxes and costs attached to them less the Hamish Jiddiah;

“Deferred Payment Date(s)” means the date or dates for payment of the Deferred Payment Price as more particularly described in the Offer and Acceptance Notice;

“Deferred Payment Price” or **“Total Murabaha Sale Price”** means the total sum payable by the Customer for the purchase of the Assets and for the avoidance of doubt means the aggregate of the Cost Price and the Murabaha Profit and is more particularly described in the Offer and Acceptance Notice;

“Event of Default” means any of the events or circumstances described in Clause 7;

“Goods” means the Islamically accepted goods that are listed as such in the Offer and Acceptance Notice;

“Hamish Jiddiah” means the security deposit specified in the Application Form to be paid by the Customer towards the purchase of the Assets from the Company in respect of a Murabaha Facility and in respect of the Aggregate Amount in relation to the Manfa’ Services;

“Installment” means each installment of the Deferred Payment Price payable on a Deferred Payment Date as determined by the Company and notified to the Customer;

“Islamic Facilities” means the Manfa Services, the Murabaha Facilities and/or the Tawarruq Facilities as selected by the Customer pursuant to the relevant Application Form;

“Material Adverse Change” means any change which would have a material and adverse effect on the business, employment or condition (financial or otherwise) which would adversely affect the ability of the Customer to comply with its payment or material performance obligations under any of the Islamic Facilities;

“Manfa’ Services” means the Manfa’ Services, benefits, rights and/or privileges referred to in Schedule 1 of the Application Form or in the Quotation appended to the Application Form and as set out in Clause 3;

“Murabaha” A sale contract of a tangible asset for a profit mark-up over and above the cost of the asset and an agreed mode of payment (payment can be spot or deferred but often defined in form of installment). In Murabaha the seller has to reveal the cost to the buyer. The bank buys an item and sells it to the customer on a deferred basis. The price includes a profit margin agreed by both parties;

“Murabaha Contract” means the Murabaha contract for sale of the Assets by the Company to the Customer concluded upon execution of the Offer and Acceptance Notice by the Company and countersignature by the Customer, and shall incorporate these Terms and Conditions and the relevant Application Form;

“Murabaha Facilities” means the finance facilities advanced on a Murabaha basis for the purchase of Goods in accordance with, Clauses 4.1, 4.2 and 4.3 of these Terms and Conditions;

“Murabaha Profit” means the Deferred Payment Price less the Cost Price;

“Offer and Acceptance Notice” means the notice, in the form set out in Schedule 2, of offer for sale of Assets issued by the Company to the Customer setting out the details of the Assets being sold by the Company to the Customer, the Cost Price, the Deferred Payment Price and Deferred Payment Dates;

“Payment Date(s)” means the date or dates for payment of the Payment Amount, referred to in Schedule 1 of the Application Form;

“Payment Amount” means the payments to be made by the Customer to the Company for the lease of the right of usufruct in relation to the Manfa’ Services, as referred to in Schedule 1 to in the Application Form less the Hamish Jiddiah;

“Promise to Purchase” means the promise submitted by the Customer to the Company, in the form acceptable to the Company, to purchase the Assets in accordance with Clause 4.2.1;

“Quotation” means the quotation provided by the Supplier for the provision of the Manfa’ Services or the Assets to the Company;

“Security” means the security listed in the relevant Application Form or referred to in the Application Form;

“Security Documents” means the documents creating Security and any other documents in favor of the Company as security for the obligation of the Customer hereunder each in form and substance satisfactory to the Company;

“Sharia’h Supervisory Board” means the Sharia’h Supervisory Board of the Company constituting of Islamic scholars and appointed in accordance with the applicable laws and regulations;

“Supplier” means the provider of the Manfa’ Services or Assets as indicated in the Application Form or otherwise notified to the Company by the Customer;

“Tawarruq Facilities” means the finance facilities advanced on a Murabaha basis for the purchase of Commodities to be sold by the Company on behalf of the Customer, in accordance with Clauses 4.3, 4.4 and 4.5;

“Taxes” include all present and future taxes (including central excise duty and sales tax and excluding income tax arising on the income of the Company), levies, imposts, duties, stamp duties, penalties, fees or charges of whatever nature together with delayed payment charges thereon and penalties in respect thereof and **“Taxation”** shall be construed accordingly; and

“UAE” means the United Arab Emirates.

- 1.2 Except where the context otherwise requires, words denoting the singular shall include the plural and vice versa, words denoting a gender shall include every gender and reference to persons shall include bodies corporate and unincorporated.
- 1.3 References to Clauses and Schedules are references to Clauses and Schedules of this Agreement.
- 1.4 Clause headings are inserted for convenience only and shall not affect the construction of these Terms and Conditions.
- 1.5 References in these Terms and Conditions to any other agreements and documents shall be construed as a reference to such agreements or documents as amended, supplemented or restated, novated or replaced from time to time.
- 1.6 Except as otherwise stated, references to times shall mean references to UAE time.

2. Islamic Facilities, Conditions Precedent and Security

- 2.1 The Company is willing to provide to the Customer the Islamic Facilities in accordance with the terms set out in the Application Form and pursuant to these Terms and Conditions.
- 2.2 The utilisation of the Islamic Facilities is subject to the fulfillment by the Customer of the conditions precedent (to the satisfaction of the Company) as set out in the Application Form or as otherwise notified to the Customer by the Company.
- 2.3 As Security for the performance of the Customer's obligations hereunder, the Customer shall execute and provide such documents as stipulated in the Application Form, and shall:
 - (a) execute such further deeds and documents as may from time to time be requested by the Company for the purpose of perfecting the Security created or to be created in favour of the Company; and
 - (b) create such other Security or documents to secure the Customer's obligations under the Islamic Facilities as the Company may require the Customer to furnish from time to time.

3. Islamic Facilities – Manfa' Services

3.1 Manfa' Services

- 3.1.1 Upon the fulfillment of the conditions precedent notified by the Company, the Company permits the Customer to utilise the Manfa' Services in consideration of the Customer paying the Payment Amount on each of the Payment Dates.
- 3.1.2 It is expressly agreed between the Customer and the Company that the Customer has made its own independent assessment of the Manfa' Services and that it is satisfied with the description, suitability, quality and fitness of purpose which the Manfa' Services are intended to be utilised by the Customer.
- 3.1.4 On the date of these Terms and Conditions all rights of the Company against the provider of the Manfa' Services shall, to the extent that the same is legally permitted, stand provided to the Customer. As a consequence, subject to Clause 8 hereof, the Customer shall be entitled to seek remedies against the Supplier of the Manfa' Services as appropriate and the Company shall provide all reasonable assistance in this regard. The Customer has checked and fully accepted the description, sustainability, quality and fitness of the Manfa' Services and does not require any additional warranty towards this end.
- 3.1.5 The Customer acknowledges that the Company has procured the Manfa' Services with the objective of providing the same to the Customer and that the Payment Amount shall consist of the cost of procuring such Manfa's Services and the Company's profit.

3.2 Customer Payment Obligations for Manfa' Services

- 3.2.1 The Customer shall pay each Payment Amount on the Payment Dates relating thereto. Further the Customer shall make the Payment Amounts available to the Company immediately available, freely transferable, cleared funds without any withholding, deduction or set off.

- 3.2.2. If at any time, the Customer is required to make any deductions or withholding in respect of Taxes from any payment to the Company under these Terms and Conditions, the Customer will pay an additional amount in respect of such payment to such extent as is necessary to ensure that after the making of such deduction or withholding, the Company receives on the due date, a net sum equal to the sum which it would have received had no such deduction or withholding been required to be made and the Customer shall indemnify the Company against any losses or costs incurred by the Company by reason of any failure of the Customer to make any such deduction or withholding. The Customer shall promptly deliver to the Company any receipts, certificates or other proof evidencing the amounts (if any) paid or payable in respect of any deduction or withholding as aforesaid.
- 3.2.3. If the Customer fails to make payment of the Aggregate Amount or any part thereof, the Customer hereby undertakes to pay to the Company late payment charges as specified in the schedule of charges provided by the Company to the Customer from time to time. The late payment charges shall be applied firstly, to compensate the Company for its actual direct costs and expenses incurred as a result of any late payment and secondly, the remaining amount of any late payment charges received by the Company shall be paid to charity on behalf of the Customer in accordance with the guidelines of the Sharia'h Supervisory Board of the Company.
- 3.2.4. Notwithstanding Clause 3.2.1, the Company may require one or more Payment Amounts to be paid prior to the corresponding Payment Dates and the Customer agrees to make the payment accordingly.
- 3.2.5. It is agreed that Mashreq Al Islami Finance Company PJSC has the right to change Terms and Conditions, profit rate and fees and charges according to its policy and also has the full right to recall the finance and can collect the amount from my account.

3.3 Termination of Manfa' Services

- 3.3.1 If the Supplier of the Manfa' Services terminates the provision of the Manfa' Services for any reason not attributable to the Customer prior to the intended completion date for the Manfa' Services, the Customer shall notify the Company no later than fifteen (15) days from the date of such termination. In case of such termination, if any part of the Aggregate Amount has been paid by the Customer to the Company, the Company shall refund the Customer with such proportion of the Aggregate Amount, provided always that if the Customer has enjoyed the use of any proportion of the Manfa' Services prior to the date of such termination, the Company may at its sole discretion, reduce the proportion of the Aggregate Amount refundable to the Customer. Customer accepts that any refund of the Aggregate Amount to the Customer shall not exceed the amount refunded by the Supplier to the Company.
- 3.3.2 The Customer may make a direct claim against the Supplier of the Manfa' Services in respect of the

termination of the Manfa' Services only if specifically appointed by the Company to act as its agent to do so. Any payments received by making such claim shall be deposited with the Company towards payment of the Aggregate Amount.

3.3.3 No refund shall be made by the Company if the cancellation of the Manfa' Services was caused by the actions, instigation or request of the Customer.

3.3.4 The Company shall not in any way be liable or responsible for any damage or loss suffered by the Customer as a result of the cancellation of the Manfa' Services.

4. Islamic Facilities – Murabaha Facilities and Tawarruq Facilities

4.1 Murabaha Facilities

Upon the fulfillment of the conditions precedent notified by the Company, the Customer will be able to avail itself of Murabaha Facilities made available by the Company subject to the terms of the Murabaha Contract, under which the Company will purchase the Goods and will sell such Goods to the Customer on immediate delivery terms at the agreed Deferred Payment Price to be paid on the Deferred Payment Date(s) and on these Terms and Conditions.

4.2 Process of Goods Sale and Purchase (Murabaha Facilities)

4.2.1 The Murabaha transaction will be conducted as follows:

(a) Pursuant to the Application Form, the Customer requests the Company to purchase the Goods and promises to purchase, pursuant to a Promise to Purchase, the same from the Company on a deferred payment basis.

(b) The Company will purchase the Goods at the Cost Price and possess its ownership.

(c) Pursuant to the purchase of the Goods by the Company, the Company shall send to the Customer a duly executed Offer and Acceptance Notice offering to sell the Goods to the Customer on a deferred payment basis for the Deferred Payment Price, which, for the avoidance of doubt, shall be the aggregate of the Cost Price and the Murabaha Profit.

(d) Pursuant to the Customer countersigning the Offer and Acceptance Notice, the Murabaha Contract shall be concluded and the Goods shall be sold by the Company to the Customer,

(e) The Customer shall acknowledge receipt of the Goods once the same have been duly delivered to the Customer.

4.3 Payment Obligations (Murabaha Facilities and Tawarruq Facilities)

4.3.1 The Customer shall pay each Installment payable under the Murabaha Contract (in relation to Murabaha Facilities or Tawarruq Facilities) to the Company on the Deferred Payment Date relating thereto in immediately available, freely transferable, cleared funds.

4.3.2 All payments required to be made by the Customer under the Murabaha Contract (in relation to Murabaha Facilities or Tawarruq Facilities) shall be calculated without

reference to any set-off or counterclaim and shall be made free and clear of and without any deduction for or on account of any set-off or counterclaim or any withholding on account of Tax or otherwise. If the Customer is compelled by law, present or future, to make any deduction or withholding, the Customer will pay additional amounts to ensure receipt by the Company of the full amount which the Company would have received but for such deduction.

- 4.3.3 From the date of countersigning the Offer and Acceptance Notice (in relation to Murabaha Facilities or Tawarruq Facilities) the Customer shall be absolutely and irrevocably obliged to pay all sums expressed or agreed to be payable by it hereunder, notwithstanding any defect, deficiency or loss of any of the Commodities or any other matter or thing whatsoever.
- 4.3.4 If the Customer wishes to prepay any part of the Deferred Payment Price (in relation to Murabaha Facilities or Tawarruq Facilities), the Customer must notify the Company of such prepayment by giving not less than fifteen (15) days prior written notice. Upon receipt of such notice, the Company shall advise the Customer of the total sum due to the Company under the Murabaha Contract (in relation to Murabaha Facilities or Tawarruq Facilities) including all accrued costs, charges and expenses.
- 4.3.5 Without prejudice to its other rights under the Murabaha Contract (in relation to Murabaha Facilities or Tawarruq Facilities), the Company may, without being obliged to do so, defer one or more payments of all or any part of the Installment due on a Deferred Payment Date to such later date as shall be determined by the Company in its sole discretion. Nothing in this clause shall be expressly construed or implied as a waiver by the Company for the payment of the entire Deferred Payment Price by the Customer.
- 4.3.6 When any payment would otherwise be due on a day which is not a Business Day, the payment shall be due and made on the preceding Business Day.
- 4.3.7 If the Customer delays the payment of the due Installments to the Company on the due dates, the Customer hereby undertakes to pay to the Company late payment charges as specified in the Schedule of Charges provided by the Company to the Customer from time to time. The late payment charges shall be applied firstly, to compensate the Company for its actual direct costs and expenses incurred as a result of any late payment and secondly, the remaining amount of any late payment charges received by the Company shall be paid to charity on behalf of the Customer in accordance with the guidelines of the Sharia'h Supervisory Board of the Company.

4.4 Tawarruq Facilities

Upon the fulfillment of the conditions precedent notified by the Company, the Customer will be able to avail itself of Tawarruq Facilities made available by the Company subject to the terms

of the Murabaha Contract, under which the Company will purchase the Commodities and will sell such Commodities to the Customer on immediate delivery terms at the agreed Deferred Payment Price to be paid on the Deferred Payment Date(s) and on these Terms and Conditions. Following the purchase of the Commodities by the Customer, the Customer shall appoint the Company as the Customer's agent to sell the Commodities on the Customer's behalf to a third party pursuant to the Agency Agreement.

4.5 Process of Commodities Sale and Purchase (Tawarruq Facilities)

The Tawarruq transaction will be conducted as follows:

- (a) Pursuant to the Application Form, the Customer has requested the Company to purchase the Commodities and has promised to purchase, pursuant to the Promise to Purchase, the same from the Company on a deferred payment basis.
- (b) The Company will purchase the Commodities at the Cost Price and possess its ownership.
- (c) Pursuant to the purchase of the Commodities by the Company, the Company shall send to the Customer a duly executed Offer and Acceptance Notice offering to sell the Commodities to the Customer on a deferred payment basis for the Deferred Payment Price, which, for the avoidance of doubt, shall be the aggregate of the Cost Price and the Murabaha Profit.
- (d) Pursuant to the Customer countersigning the Offer and Acceptance Notice, the Murabaha Contract shall be concluded and the Commodities shall be sold by the Company to the Customer.
- (e) The Customer shall acknowledge receipt of the Commodities once the same has been duly delivered to the Customer.
- (f) Following the purchase of the Commodities by the Customer, the Customer shall appoint the Company as the Customer's agent to sell the Commodities on the Customer's behalf to a third party pursuant to the Agency Agreement.

4.6 Condition of Assets

- (a) The Assets are sold by the Company to the Customer on an as-is where-is basis.
- (b) The Company will not give nor be deemed to give, to the Customer any warranty or representation whatsoever relating to the Assets whether imposed by applicable law or otherwise.
- (c) Without prejudice to paragraph (b) above, any implied warranty or representation is expressly excluded to the extent permitted by law.

4.7 Collection of Assets

It shall be the responsibility of the Customer to collect the Assets from the Supplier.

5. Representations and Warranties

5.1 The Customer represents:

- (a) that the Customer has full power and authority to enter into the Islamic Facilities and any agreements, deeds and documents connected with the Islamic Facilities as identified in these Terms and Conditions;
- (b) that the Customer has taken all necessary actions to authorise the execution, delivery and performance under these Terms and Conditions which constitutes a valid and legally binding obligation of the Customer enforceable in accordance with its terms;
- (c) that all acts and conditions required to be done, fulfilled and performed in order (i) to enable the Customer lawfully to enter into, exercise the Customer's rights under and perform and comply with the obligations expressed to be assumed by the Customer under the Islamic Facilities and (ii) to ensure that the obligations expressed to be assumed by the Customer under the Islamic Facilities are legal, valid and binding have been done, fulfilled or performed;
- (d) that no legal proceedings have been initiated or threatened against the Customer for the Customer's bankruptcy or against any material part of the Customer's assets or revenues;
- (e) that all information supplied by the Customer to the Company in connection with the Islamic Facilities is true, complete and accurate in all material respects and the Customer is not aware of any material facts or circumstances that have not been disclosed to the Company;
- (f) that the Customer is not in breach of or in default under any agreement to which the Customer is a party or which is binding on the Customer or any of the Customer's assets and which breach or default could be reasonably likely to cause a Material Adverse Change;
- (g) that it shall not utilise the Islamic Facilities for any purposes that may be considered as illegal, haram or repugnant under the rules and principles of Sharia'h (Islamic Law); and
- (h) that the Customer has, after having reviewed these Terms and Conditions, the Application Forms and all related documents for the purposes of its permissibility under Sharia'h and, to the extent it has considered this necessary, taken independent advice from advisors specializing in Sharia'h, it is satisfied that the provisions of this Agreement do not contravene Sharia'h.

5.2 Each of the representations and warranties constituted by this Clause 5 shall be binding and shall be deemed to be repeated on the date of each Deferred Payment Date and/or Payment Date (as the case may be) with reference in each case to the facts and circumstances then subsisting.

6. Undertakings

- 6.1 The Customer shall inform the Company within three (3) Business Days of any proposed changes to his employment and/or the business that he is conducting.
- 6.2 The Customer shall:
- (a) immediately comply with any request or notice from the Company requesting any information or documentation that may reasonably be requested by the Company from the Customer;
 - (b) obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all authorisations, approvals, licenses and consents required in or by the laws and regulations applicable to the Customer, and any other applicable jurisdiction to enable it lawfully to enter into and perform his obligations under the Islamic Facilities and these Terms and Conditions or to ensure the legality, validity, enforceability or admissibility in evidence in the jurisdiction of its incorporation of these Terms and Conditions;
 - (c) notify the Company of the occurrence of any event which results in or may reasonably be expected to result in any of the representations contained in Clause 5 being untrue;
 - (d) promptly inform the Company of the occurrence of any Event of Default that has occurred or is likely to occur;
 - (e) comply in all material respects with all applicable laws;
 - (f) in relation to the Manfa' Services, ensure that all refunds and discounts provided by the Supplier are provided directly to the Company, the Company may, at its discretion, adjust the said amounts from any amount due from the Customer to the Company;
 - (g) in the event of the Customer ceasing to be employed (either as a result of being terminated or resignation) or ceasing to carry out such business or profession (in case of the Customer being a partner or owner of a business entity) the Customer shall procure that all its end of service benefits (in case of the Customer being employed) or the proceeds from the sale of its business (in case of the Customer being a partner or owner of a business entity) shall, to the extent applicable, be transferred to the Company towards payment of all the remaining Payment Amounts and/or Installments (as applicable);
 - (h) immediately provide to the Company any information or extra documentation that may be requested by the Company from the Customer from time to time;
 - (i) comply in all material respects with all applicable laws; and
 - (j) if entering into the Islamic Facilities for the purpose of availing small business finance for a business enterprise within the UAE, maintain the Customer's interest as an investor in such business enterprise and promptly notify the Company if there is any change in such interest.

7. Events of Default

The following events or circumstances shall constitute Events of Default committed by the Customer under these Terms and Conditions and in respect of the Islamic Facilities obtained by the Customer:

- (a) the Customer fails to pay any sum due under the Islamic Facilities in accordance with these Terms and Conditions on its due date;
- (b) any representation or statement made in respect of the Islamic Facilities or in the Application Form is incorrect or misleading;
- (c) the Customer fails to duly perform or comply with any of the obligations expressed to be assumed by the Customer under these Terms and Conditions;
- (d) the Customer's employment is terminated or the Customer resigns from employment, or any visa, approval or consent required in respect of the Customer's employment in the UAE is revoked, expires or is cancelled;
- (e) the Customer is unable to pay the Customer's debts as they fall due, commences negotiations with any one or more of the Customer's creditors with a view to the general readjustment or rescheduling of the Customer's indebtedness or makes a general assignment for the benefit of or a composition with the Customer's creditors or a moratorium is declared in respect of any indebtedness of the Customer;
- (f) any steps are taken to declare the Customer bankrupt or the Customer is incarcerated, dies or becomes mentally incapacitated;
- (g) any Security provided by the Customer ceases to remain in full force and effect;
- (h) at any time it is or becomes unlawful for the Customer to perform or comply with any or all of the Customer's obligations under these Terms and Conditions;
- (i) any other event or series of events occurs which in the reasonable opinion of the Company may result in a Material Adverse Change; or
- (j) the Customer fails to pay any final judgment or court order when due.

Upon the occurrence of any of the Events of Default, the Company may, immediately or at any time thereafter, by written notice to the Customer declare and demand all or any amounts, including, without limitation any outstanding Payment Amounts and/or Installments of the Deferred Payment Price (as applicable), then outstanding under the Islamic Facilities and unpaid to be immediately due and payable or to be, otherwise, due and payable on demand of the Company, including, without limitation, all costs and expenses incurred in connection with enforcing any Security and/or Islamic Facilities and/or Security Documents.

8. Indemnity

8.1 The Customer undertakes to indemnify the Company against:

- (a) any cost, claim, loss, expense (including legal fees) or liability together with any tax thereon, which it may sustain or incur as a consequence of the occurrence of any Event of Default or any default by the Customer in the performance of any of the obligations expressed to be assumed by it in these Terms and Conditions; and

- (b) any loss it may suffer as a result of its entering into the Islamic Facilities requested by the Customer hereunder but not made by reason of the operation of any one or more of the provisions hereof.

8.2 The Customer shall hold harmless and indemnify the Company, its officers, employees and/or agents, against any loss, cost, damage, expense or liability which they or any of them may incur (direct or indirect) as a result of the Company or any such officer employee or agent acting upon, delaying or refraining from acting upon instructions of the Customer or purporting to be from the Customer or which the Company believes to have been issued by or for the Customer.

9. Notices

9.1 All notices and other communications under these Terms and Conditions shall be in writing and shall be sent to the respective addresses of the parties as stated in the Application Form or to such addresses as the parties may specify from time to time. Notices may be delivered by hand, facsimile message against a written confirmation of receipt or by registered post or courier or by electronic mail.

9.2 Notices sent by fax or electronic mail shall be deemed to be received on the Business Day following the day they are transmitted and if sent by registered post or courier, shall be deemed to be received three (3) Business Days after the date of posting or dispatch (as the case may be) and properly addressed to the addressee.

9.3 All communications, notices or documents made or delivered by one party to the other pursuant to these Terms and Conditions shall be in the English or Arabic language.

9.4 The Company has the absolute discretion whether or not to accept, rely or act upon any communication received via telephone, electronic mail or facsimile transmission and shall be entitled to request verification of any such communication by any method the Company deems appropriate.

10. Salary Assignment

10.1 The Customer hereby assigns (the "Assignment") in favour of the Company all its right, title and interest in and to the salary, end-of-service benefits and other income stated in the Application Form and/or any approval letter received from the Company. The Customer also acknowledges and agrees that the Assignment shall be in effect until the Company issues a written confirmation to the Customer's employer that the Assignment has been released / cancelled by the Company.

10.2 The Customer undertakes to:

- (a) deposit the Customer's monthly salary and other regular income with the Company or such other bank nominated by the Company;
- (b) take steps to ensure that the Customer's employer shall transfer the Customer's salary and end-of-service benefits to the Company or such other bank nominated by the Company; and
- (c) not create any lien, encumbrance or other charge on the Customer's monthly salary or end-of-service benefits.

10.3 In the event of a change of employment, the Customer must notify the Company in advance of the change of employment

(without prejudice to the Company's rights under Clause 10.1) by providing a letter in a form acceptable to the Company whereby the new employer agrees to transfer the Customer's salary and end-of-service benefits to the Company.

10.4 If the Customer is in receipt of salary advances / loans, the Company may at its discretion debit the Customer's account for future Installments and/or Payment Amounts (which are due for future months) on receipt of such amounts into the Customer's account.

11. Set Off

The Customer hereby authorises the Company to apply any credit balance to which the Customer is entitled or any amount which is payable by the Company to the Customer at any time in or towards partial or total satisfaction of any payment obligation which may be due or payable by the Customer to the Company under the Islamic Facilities. In cases where an obligation is unliquidated, the Company may set-off in an amount estimated by it in good faith to be the amount of that obligation. If obligations are in different currencies, the Company may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

12. Waiver

On failure by the Company to exercise or any delay by the Company in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise thereof or the exercise of any other right or remedy. The rights and remedies herein provided are cumulative and not exclusive of any rights or remedies provided by law.

13. Severability

If, at any time, any provision of these Terms and Conditions is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of these Terms and Conditions or the legality, validity or enforceability of such provision under the law of any other jurisdiction shall in any way be affected or impaired thereby.

14. Assignment

14.1 These Terms and Conditions shall be binding on the Customer and Company, their respective successors and permitted assigns, heirs and/or legal representatives.

14.2 The Customer may not assign or transfer any of its rights or obligations under the Islamic Facilities and these Terms and Conditions without the prior written consent of the Company.

14.3 The Company may, at any time, transfer or assign any of its rights or obligations under the Islamic Facilities and these Terms and Conditions without the consent of the Customer.

14.4 The Company may disclose to a potential assignee or transferee or to any other person who may propose entering into contractual relations with the Company in relation to the Islamic Facilities such information about the Customer as the Company may consider appropriate.

15. Errors and Miscalculations

In the event of any error or miscalculation in respect of any amounts payable by the Customer to the Company under these Terms and Conditions, the Company reserves the right to issue a notification to the Customer providing the corrected calculation. The Customer shall

be required to pay the relevant corrected amounts with effect from the date of the said notice.

16. Costs, Expenses, Taxation

The Customer shall pay to the Company on demand all costs, charges and expenses arising in connection with the Islamic Facilities or preservation or enforcement of the Company's rights under these Terms and Conditions, and all taxes, duties, fees (including administrative fees) and other charges of whatsoever nature levied or imposed by any authority in respect of the Customer's obligations under these Terms and Conditions.

17. No Interest

Nothing in these Terms and Conditions shall oblige the Company or the Customer to pay interest or to receive any interest on any amount payable in violation of Sharia'h or to do anything that is unacceptable under Sharia'h.

18. Governing Law and Jurisdiction

18.1 These Terms and Conditions and the Islamic Facilities and the construction, performance and validity shall be governed by and construed in all respects in accordance with the laws of the UAE and the principles of Sharia'h.

18.2 The Customer irrevocably agrees for the benefit of the Company that the courts of the UAE shall have non-exclusive jurisdiction to hear and determine any suit, action or proceeding, and to settle any disputes which may arise out of or in connection with these Terms and Conditions and the Islamic Facilities and, for such purposes, irrevocably submits to the jurisdiction of such courts.

19 Disclosure of Information

The Company may disclose any information relating to the Customer or to the Customer's transactions to any third party including any governmental or regulatory body, any credit agency, any affiliate or advisor or any other bank or financial institution. For avoidance of doubt, the Customer shall not be permitted to disclose any information relating to these Terms and Conditions and the Islamic Facilities provided by the Company to any third party without the prior written consent of the Company.

20 Counterparts

These Terms and Conditions may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of the Terms and Conditions.

