

Murabaha

The mechanism requires a purchase of the new car and selling to end users (Cost+Profit) on installment basis at an agreed and disclosed profit rate, all terms of the transaction are disclosed to the customer upfront

Musawama

Musawama is auto finance mode wherein dealer agrees to reduce the cost to bank or to pay part of the monthly installments on behalf of customer, as a campaign to promote vehicle sales. Under Musawama agreement, the bank is required to provide selling price of the Vehicle and the monthly installment amount, no further details of the transaction need to be disclosed to the customer. Discount provided by the dealer or monthly installment paid by the dealer are collected upfront by the bank from the dealer and passed on to the customer

By signing this application form, I hereby confirm that I read, understood, and accept the following:

- 1- Any provisions not provided in these terms and conditions shall be subject to the General Terms and Conditions for Accounts and Islamic Banking Services and the Addendum related to the Bank and the Announcement of Profit Distribution Method (displayed by the Bank in the branches and/or available on the Bank's website (www.adib.ae))
- 2- Total Murabaha profit amount is calculated for the entire financing period including any grace period before the first installment date.
- 3- Total profit amount of Murabaha is calculated on reducing balance method.
- 4- I can avail extra 60 days grace period upfront for the payment of first installment. However, in this scenario, installment postponement eligibility for first year will be restricted in line with the grace period availed upfront i.e. in case of 60 days grace period, installment postponements will not be allowed in first year.
- 5- I can avail up to 2 installment postponements in each year. Bank provided installment postponement will be counted towards these 2 installment postponements. However, in case of Top up finance, I shall not be eligible to apply for installment postponement on any of existing finances with the bank till the settlement of Top up finance facility.
- 6- I can pay up to 3 installment payments in advance and will get payment holiday due to advance payment (s) on the relevant installments dates. In this case, funds will be settled against the relevant installment amount (s).
- 7- In case of early settlement of finance, ADIB will settle the funds against the outstanding balance and may at its own discretion waive fully or partially the unearned profit(s).
- 8- In case of partial settlement due to non-settlement of finances with other bank (s), such as in the case of Dewan settlements and/or settlements from my own funds, then ADIB will settle the funds against the outstanding balance. ADIB, at its own discretion, may waive fully or partially the unearned profit(s) on pro rata basis.

- 9- I understand that installment date would be set in line with my salary transfer date. In case of change in salary transfer date by my employer, I hereby authorize ADIB to align the installment date as per employer notification.
- 10- I understand that my installment recovery would always be linked to salary transfer account till the settlement of the finance.
- 11- I am aware of ADIB published Tariff Board and fully understand the applicable fee and charges of this Auto Finance transaction.
- 12 - In case of cancellation of finance request from my side post signing of the Murabaha sale contract, I understand that processing fee is not refundable.