

# KEY FACTS STATEMENT

## ISLAMIC LEASING AND FINANCE OPPORTUNITIES FUND III (USD)<sup>1</sup>

What is the Product?	Quick Facts
<p>The Islamic Leasing and Finance Opportunities Fund III is a private credit strategy that intends to generate attractive expected risk-adjusted returns. The Fund seeks to achieve this objective by investing in a Shari'a compliant manner in equipment leasing transactions, asset-backed and structured finance transactions and/or other transactions and investment opportunities.</p> <p>The Fund will be managed by Wafra Capital Partners (WCP) Investments (WCPI), a joint venture entity recently founded by WCP and NBK Capital. WCP will be the investment advisor of the Fund and shall not in any way be responsible for any resulting loss unless it is a result of its misconduct, negligence or violation of the terms and conditions specified in the Confidential Offering Memorandum.</p> <p>All investments will be approved by the Shari'ah Supervisory Board of the Fund.</p>	<ul style="list-style-type: none"> <li>• <b>Fund Manager:</b> WCP Investments LP</li> <li>• <b>Dealing Frequency:</b> Based on respective tranche dates</li> <li>• <b>Base Currency:</b> USD</li> <li>• <b>Investment Period:</b> Up to 6 months</li> <li>• <b>Distribution Frequency:</b> Monthly</li> <li>• <b>Fund Structure:</b> Close-ended</li> <li>• <b>Minimum Investment:</b> USD 275,000 with multiples of USD 25,000 thereafter</li> <li>• <b>Domicile:</b> Cayman Islands</li> <li>• <b>Asset Class:</b> Private Placement</li> <li>• <b>ADIB Product Risk Rating:</b> This product is only suitable for customers with a 'Growth' risk rating or above</li> <li>• <b>Tenor:</b> 5 Years + 2 one-year extensions (at the sole discretion of the investment advisor)</li> <li>• <b>Early Redemption:</b> Not Applicable. The investment is locked-in for the full investment tenor.</li> </ul>

Fees and Charges:	
Agency Fee:	3% of the Investment Amount (IA) exclusive of Value Added Tax (one-time fee)
Value Added Tax (VAT):	5% of Agency Fee (one-time fee)
Early Redemption Fee:	Not Applicable. The investment is locked-in for the full investment tenor

Expected Return 6.5%:
<p>The Fund targets a 6.5% annual return with monthly distributions during the tenor of the Fund. In the event that the returns received by the Fund are insufficient to pay the Expected Return with respect to a particular month, the Fund (in the Fund Manager's sole discretion) may make a reduced distribution or no distribution at all with respect to such month.</p>

<sup>1</sup>This information is accurate at the time of printing/publishing. No legal, investment, financial or other advice is hereby given to the customer on the part of ADIB. ADIB assumes no liability or responsibility in any manner whatsoever for any losses that the customer may suffer as a result of the performance of the investment/funds. In the event that the customer requires any advice in this respect, the customer should engage the services of an independent financial or legal advisor as appropriate.

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## WARNINGS & RISK FACTORS

*Below are some of the warnings and risk factors associated with investing in ISLAMIC LEASING AND FINANCE OPPORTUNITIES FUND III (USD), for a complete list of associated risks, please refer to the subscription form.*

- **Overall Investment Risk:** All investments risk the loss of capital. No guarantee or representation is made that the Fund's investment program or risk management efforts will be successful. The performance of any particular investment is subject to numerous factors which are neither within the control of, nor predictable by, the Investment Advisor. The Fund is not a capital guaranteed Fund and the investor may lose part or all of his/her investment amount. Past performance of the Fund should not be taken as an indication of its future performance.
- **Illiquidity:** The Fund's underlying investments and exposures are likely to be illiquid in nature. Although the Funds' investments and exposures may generate expected income, the return of the investment amount and the realization of gains, if any, from an investment may not occur until the partial or complete disposition of such investment, which may not occur for a number of years.
- **Capital Call:** Call Notices will be issued by the Fund Manager from time-to-time at the discretion of the Fund Manager, based upon the Fund Manager's assessment of the needs and opportunities of the Fund. To satisfy such calls, shareholders may need to maintain a substantial portion of their commitments in assets that can be readily converted to cash.
- **Early Termination Risk:** In the event of the early termination of the Fund, the Fund would have to distribute to the shareholders their pro rata interests in the assets of the Fund. Certain assets held by the Fund may be highly illiquid and might have little or no marketable value. It is possible that, at the time of such sale or distribution, certain securities held by the Fund would be worth less than the initial cost of such securities, resulting in a loss to the shareholders.
- **Functional Currency:** The functional currency of the Fund will be U.S. dollars. Commitments of the shareholders, capital contributions, and distributions of cash generally will be stated, made or payable in U.S. dollars. An investor whose functional currency is not U.S. dollars will bear substantial risks associated with fluctuating currency exchange rates.
- **Litigation Risk:** The Fund may be subject to a variety of litigation risks, in case one or more investments in the Fund faces financial or other difficulties during the term of the Fund .
- **Credit Risk:** The Fund's strategy includes obtaining Shari'a compliant financing. Accordingly, there will always be some and sometimes significant amounts of financing risk in the Fund's portfolio.

## WARNING

**The Fund is not a capital guaranteed Fund and the investor may lose part or all of his/her investment amount.  
 Past performance of the Fund should not be taken as an indication of its future performance.**

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## Key Terms and Conditions

*For the full list of terms and conditions, please refer to the application/subscription form.*

- ADIB has the right to reject any subscription without being obliged to disclose the reasons for such rejection.
- ADIB reserves the right to alter at its discretion the Subscription Period and during this process, it has the right to process, reject, cancel or alter the Subscription Period, or any or all subscribed investments without any liability toward the Customer. During this Subscription Period, the Customer will be exposed to different types of risks including but not limited to foreign currency exchange rates risk. All disputes and differences in connection with the product subscription form shall be, to matters not specifically provided for herein, governed by UAE laws as applied by Abu Dhabi courts to the extent that these laws do not conflict with rules and principles of the Shari'a as specified in the Shari'a Standards issued by the Accounting and Auditing organization for the Islamic Finance Institutions (AAOIFI) as interpreted by the ISSC.

## WARNING

**In the event that the Customer fails to meet the terms and conditions, the Bank reserves the right to terminate the relationship, restrict the Customer's accounts, apply fees or charges or submit adverse reports to the credit agency.**

## COOLING-OFF PERIOD

Once you enter into the financing contract, you will be bound by the terms and conditions of the financing contract however in accordance with the Consumer Protection Regulation and Standards you have the right to a cooling-off period option. This is a right to cancel the financing contract within five (5) complete business days starting immediately after signing the financing contract (the "Cooling-Off Period"). However, you may choose to waive your right to the Cooling-Off Period.

### Warning

**If you choose to waive your right to the Cooling-off Period, you will be bound by the terms and conditions of the financing contract once it is concluded between you and the Bank. Consequently, you will be subject to the risks of price fluctuation of the item sold/leased to you starting from the finance contract signing date.**

## APPLICANT ACKNOWLEDGEMENT

I acknowledge receiving this Key Fact Statement prior to signing the term sheet:

Customer's Signature:

Date: