

سُهولة *Souhoula*  
TERMS AND CONDITIONS



SAVE WITH EVERY SPEND

*Souhoula* سُهولة  
MURABAHA CREDIT CARDS

## Section A: General Terms and Conditions

### 1. Introduction

Dear Covered Card applicant,

In consideration of Mawarid Finance PJSC (MF) agreeing to provide you with covered card services and benefits, you hereby agree to the following terms and conditions as amended from time to time (the "Terms and Conditions").

In view of the fact that the structure of the covered card requires the Security in shape of Sukuk equal to the Amount of the Card Limit to be pledged with MF. We hereby advise you to assign such number of Sukuk from your Sukuk available in your account with NBC; so that MF may render covered card services and benefits to you.

We further advise you not to use the Card for unnecessary expenditures.

### 2. Definitions

AED means the legal currency of the United Arab Emirates.

**ATM** means automated teller machine or any card-operated machine or device whether belonging to the MF or other participating banks or financial institutions or MasterCard global ATM network, or the affiliated networks thereof, as the case may be, which accepts the Card for Transactions.

**Card** means, in relation to a Cardholder, each Mawarid Finance MasterCard covered card issued to a Principal Cardholder or Supplementary Cardholder from time to time and shall include any subsequently issued, renewed or replaced card (if any).

**Cardholder** means, in relation to a Card, the person(s) for whose use the Card was issued by MF including the Principal Cardholder and Supplementary Cardholder.

**Card Account** means the MF Mudharabah investment account opened by MF where the Card Limit is deposited and used for entering all credits and debits received or incurred by the Principal Cardholder and/or the Supplementary Cardholder (if any) and any unutilized daily balance is invested by MF on Mudharabah basis in accordance with these Terms and Conditions.

Card Application means the Card application form signed by the applicant which shall constitute an integral part of these Terms and Conditions.

Card Limit means the maximum amount that may be utilized by use of the Card funded by the Principal Cardholder from his own fund or by entering into Murabaha Contracts.

Card Statement means a monthly statement of the Card Account sent by MF to the Principal Cardholder showing (1) debits and credits to the Card Account in respect of the Transactions (2) the profit distributed (if any) to the Card Account and (3) the bonus amount (if any) from MF (subject to its discretion) to the Card Account. (4) Murabaha profit amount (if applicable).

Chip means a secure, microprocessor embedded in the plastic card for comprehensive payment service offered as an enhanced security feature on the Card(s) allowing an advanced verification mechanism and convenient usage options available for financial transactions to the Cardholder(s).

Merchant means any person, establishment, company or legal entity supplying goods and/or services and/or other benefits which accepts the Card or the Card numbers as a means for payment by the Cardholder.

Murabaha Contract means the contract between the MF and Principal Cardholder under which MF sells on Murabaha basis to the Principal Cardholder, for the Selling Price, identified commodities or a common share of commonly held identified commodities.

PIN means the personal identification number issued to or amended by the Cardholder to enable him/her to use the Card.

POS means a point of sale device which accepts the Card or Card numbers as a means for payment by the Cardholder for purchase of goods or services.

Principal Card means the Card issued by MF to the Principal Cardholder.

Principal Cardholder means a person other than the Supplementary Cardholder who opened the Card Account with MF and in whose name the Principal Card is issued.

Qualifying Expenditure means all expenditure duly incurred on Cards which are eligible for Loyalty Points accrual, or others as may be specified by MF from time to time in its sole discretion. Qualifying Expenditure shall include (1) the amount debited from the Card Account expressed in AED and where the purchase is in another currency, the equivalent in AED as converted at MF's prevailing spot rate of exchange at the purchase time or (2) or such other transactions as MF may agree to admit for eligibility from time to time.

Selling Price means the deferred sale price (including a specific profit amount) of the commodities or a common share in commodities under the Murabaha Contract.

Schedule of Fees means the document prescribing fee(s), charges and other fee(s) applicable to but not limited to the Card, Transactions and/or Card Account, issued by MF from time to time to the Cardholder and the said schedule is also available at each office of MF and the website of MF. The Schedule of Fees shall form integral part of these Terms and Conditions.

**Services Contract** means the banking services contract of the date hereof between MF and the Principal Cardholder.

**Security** means the number of Sukuk equal to the pledged by the Principal Cardholder as security.

**Supplementary Card** means the Card issued by the MF to the Supplementary Cardholder (if any).

**Supplementary Cardholder** means each person who is issued with a Supplementary Card on the request of the Principal Cardholder.

**Transaction** means the purchase of goods and or services, or cash withdrawals made by use of the Card and/or the Card and PIN.

**UAE** means the United Arab Emirates.

### 3. Background

Pursuant to the Card Application and Murabaha Contract (if any):

1. The Cardholder has funded the Card Limit from his/her personal sources;

or

2. MF and the Principal Cardholder have entered into the Murabaha Contract and the Principal Cardholder has deposited the Security Amount in the Card Account as security for payment of the Selling Price. Pursuant to the Murabaha Contract, MF has authorized the use of the Security Amount by the Principal Cardholder to settle the Transactions. MF may give a bonus amount for the benefit of the Principal Cardholder. The Card is issued by MF to the Cardholder under these Terms and Conditions and the terms and conditions of the Services Contract.

The Card is issued by MF to the Cardholder under these Terms and Conditions and the terms and conditions of the Services Contract.

**IMPORTANT:** Prior to using the Card, the Cardholder must read carefully these Terms and Conditions. By signing and/or using the Card and/or signing any acknowledgement of receipt of a Card, each Cardholder shall be deemed to have read and accepted these Terms and Conditions and will be bound by them.

#### **4. Issuing of Card**

- 4.1 The Card Application shall be an offer by the Principal Cardholder that MF may, in its sole discretion, accept and such offer and acceptance shall be subject to these Terms and Conditions.
- 4.2 Following acceptance by MF, the Card will be delivered through MF's offices or through a courier company, but MF reserves the right to deliver it through other means at the sole responsibility of the Cardholder.
- 4.3 Unless cancelled earlier in accordance with these Terms and Conditions, each Card will remain valid from the date of its issuance or renewal to the date of its expiry specified by MF on the Card.

#### **5. Card Usage**

- 5.1 The Cardholder must confirm his/her personal details on the Card and sign on the signature panel on the reverse of the Card immediately upon receipt of the Card.
- 5.2 Prior to conducting any Transaction, the Cardholder may be required by MF in its absolute discretion, to activate the use of the Card by telephone or in such other manner as MF may, from time to time, specify.
- 5.3 Any transaction supported by the imprint of the Card or electronic log is presumed a genuine transaction unless proved otherwise, irrespective of the signature being present or not on the transaction slip.
- 5.4 The usage of the Card is restricted to the Cardholder within the Card Limit. MF may, at any time and at its own discretion and with or without notice to the Cardholder, authorize a Transaction which shall cause the Card Limit to be exceeded. If the Card Limit for a Card is exceeded, then without prejudice to MF's rights and remedies, the Principal Cardholder (and,

if relevant, the Supplementary Cardholder) shall immediately and in any event no later than two (2) business days, make payment of the excess over and above the Card Limit. Notwithstanding that MF has authorized the excess over the Card Limit, MF in its absolute discretion shall have the right, at any time and without notice and without giving any reason and without any liability to any Cardholder, to withdraw or restrict the Cardholder's right to use a Card or Card Account, to refuse to authorize any Transaction, to temporarily increase or decrease the Card Limit or modify or terminate any of the facilities or benefits made available to the Cardholder. Such action may be taken by MF in respect of all Cardholders generally or only a specific Cardholder notwithstanding that the Cardholder may not be in default of these Terms and Conditions. In particular, the Cardholder shall not be entitled to any Guest Miles, cashback or similar benefit or loyalty reward with respect to any Transaction or Qualifying Expenditure conducted by the use of Card in excess of the Card Limit. In the event of any modification, termination or cancellation pursuant to this Clause, MF shall reimburse any charges or fees paid by the Principal Cardholder on pro-rata basis.5.5 An administration cost, as specified in the Schedule of Charges will be debited from the Card Account by the MF if the Cardholder exceeds the Card Limit.

- 5.5 The Card may be used at any ATMs, POS terminals and Merchants around the world displaying the MasterCard logo. MF is not responsible for any act of negligence or refusal for any service by any Merchant or for damages arising as a result of malfunction of any Card, ATMs, POS terminals or other electronic devices.
- 5.6 Safety and safekeeping of the Card and its related PIN is the responsibility of the Cardholder. Any transaction performed on the ATM or where a PIN entry is necessary shall be deemed to have been performed by the Cardholder himself/herself, if the Card is not reported as lost or stolen irrespective of the person performing the Transaction.
- 5.7 The Card is issued for the Cardholder's personal use only and the Cardholder is not authorized to use the Card for business or corporate purposes and/or activities. MF may, in its discretion, restrict, cancel the Card and/or not award Loyalty Points any other similar reward and/or debit any Cashback, if MF determines in its sole discretion that the Card has been used for non-personal use, fraudulent, Non-Shari'ah compliant or illegal Transactions.

- 5.8 The Cardholder shall not use the Card or allow any third party to use the Card for any purpose or Transaction prohibited by Shari'ah or law or public policy and MF in its sole discretion may decline any such transactions (including those carried out through the Internet or other electronic means).
- 5.9 In the event that the Cardholder uses the Card or allows any third party to use the Card for any purpose or transaction as prohibited in condition 5.9 above, then the Cardholder and/or the third party shall be exclusively responsible and liable under the law for using the Card for any such purpose or transaction. MF shall have no liability or responsibility of whatsoever nature and howsoever arising on account of the Card being used for a purpose or transaction prohibited by law or otherwise. In the event that MF incurs or sustains any cost, loss, damage or expense as a result of either the Card being used for any purpose or transaction prohibited by law or public policy, then the Principal Cardholder (and, if relevant, the Supplementary Cardholder) shall immediately reimburse MF for the full amount of the aforementioned actual loss, damage or expense. Furthermore, the MF may, forthwith without notice and without liability to any Cardholder cancel the Card and Card Account.
- 5.10 The Cardholder shall not use the Card or allow any third party to use the Card in a Transaction prohibited by Shari'ah as determined by the Fatwa and Shari'ah Supervisory Board of MF. All transactions involving Merchants which the MF is aware conduct a business prohibited by Shari'ah, including but not limited to, alcohol, pork products, gambling, tobacco, casinos, bars, nightclubs, merchants selling and/or providing pornography related products and/or services will be declined. In case of such use, MF reserves the right forthwith without notice and without liability to any Cardholder to cancel the Card and the Cardholder shall immediately be following such cancellation pay all outstanding amounts in respect of such cancelled Card to MF.

## **6. Payments**

- 6.1 The amount of all Transactions shall be debited from the Card Account.
- 6.2 In certain situations, any actual expenses either during authorization or settlement including any communication expenses such as telephone and telexes shall be debited to the Card Account.



- 6.3 All Fees and charges including legal charges and other liabilities incurred by the Cardholder and levied by MF for the use of the Card as specified in the Schedule of Fees as well as actual losses or damages incurred by MF from the use of the Card shall be debited to the Card Account.
- 6.4 All Transactions shall be deemed valid and the amount of all Transactions shall be considered due and payable by the Principal Cardholder and shall be debited to the Card Account. Any dispute or claims arising under any Transaction will be dealt with separately according to MasterCard's (as the case may be) operating regulations. MF shall not reimburse any of the amounts debited unless the claim is reported to MF by the Principal Cardholder and until the case is investigated and resolved and the Cardholder is absolved from any responsibilities.
- 6.5 For the duration of the validity of the Card, the Cardholder is required to make a monthly payment under the terms of the Murabaha Contract (if any) or the Card Account Application. The Murabaha installment amount due and payable and the utilized amount payable by the Cardholder shall be the amount (if any) shown on the relevant Card Statement.
- 6.6 Where the Cardholder makes payment by a cheque, the Cardholder shall allow for a minimum of five (5) business days for the cheque to clear. MF shall only credit the payment to the Card Account once the cheque has cleared and MF is in receipt of cleared funds.
- 6.7 Any payments made by the Cardholder will be applied by MF in or towards payment of Cardholder's obligations to MF under these Terms and Conditions in such order as MF may in its sole discretion determine.
- 6.8 If the full amount due and payable is not paid by the payment due date, MF shall have the right to block the Card and if the Cardholder continues not to pay, the Card will be cancelled after sixty (60) calendar days from the first payment due date. A new Card will not be issued unless the full amount is repaid and a fresh arrangement entered into (if required).
- 6.9 Without prejudice to MF's rights and remedies, MF shall have the right to debit and/or freeze any of the Cardholder's accounts with the MF at any time to recover all amounts due and payable from the Cardholder without prior notice and without any liability to the Cardholder.

## **7. Supplementary Card**

- 7.1 MF may, in its sole discretion, issue Supplementary Card to any person nominated as a Supplementary Cardholder upon the request of the Principal Cardholder.
- 7.2 These Terms and Conditions shall apply to the use of the Supplementary Card and the Principal Cardholder agrees to ensure that each Supplementary Cardholder reads, understands and undertakes to act in accordance with these Terms and Conditions and Schedule of Charges and amendments thereto made from time to time.
- 7.3 The validity of the Supplementary Card shall be linked to the Principal Card. The validity will be either equal or less than the Principal Card. Once the Principal Card is cancelled for any reason, the Supplementary Card shall also be cancelled automatically.
- 7.4 The Principal Cardholder can request as many Supplementary Cards on his/her Card Account as he/she wants (within the policy and procedures laid down by MF) and all the Supplementary Cards shall share the Card Limit in accordance with the Card Application.
- 7.5 Both the Principal and Supplementary Cardholders shall be, severally and jointly liable for any outstanding amounts damages and losses arising from the use of the Supplementary Card.

## **8. Loss and Theft of Card**

- 8.1 If the Card is lost or stolen or the Cardholder suspects any fraudulent (as determined by MF) or suspicious activity with regard to the Card, the Cardholder shall immediately report the same to MF by telephone or in person at its branches. The Cardholder will be responsible for any unauthorized Transactions affected before a telephone or written confirmation of the loss or theft is received by MF. A police report must also be obtained and a copy sent to MF in respect of any fraudulent or suspected misuse of the Card.
- 8.2 Promptly upon receipt by MF of a call or written notification of loss or theft of a Card, the Cardholder will have no further liability on any new Transactions on that Card Account provided that the Cardholder has acted with all reasonable care and diligence in safeguarding the Card and promptly reporting its loss or theft to MF.

- 8.3 Any Fee / charges levied for a lost or stolen Card that are paid by MF, for example, publishing a reward for any information that leads to the capture of anyone responsible for stealing the Card, shall be charged to the Cardholder and debited to the Card Account to the extent of negligence or misconduct by the Cardholder. The decision whether or not to publish shall be taken by MF only after evaluating the seriousness of the situation. In the event the investigation undertaken by MF proves that the Cardholder is not responsible for the lost or stolen Card, MF shall reimburse the charges to the Card Account.
- 8.4 If the Cardholder requests a replacement for a lost or stolen Card, MF may, at its absolute discretion issue a replacement Card subject to these Terms and Conditions. The issuance fee for such replacement Card shall be debited from the Card Account.
- 8.5 In the event that the lost or stolen Card is recovered, the Cardholder must not use the Card again. The Cardholder should report the recovery to MF in writing and shall destroy it by cutting it in half and returning the same to MF.

## **9. Personal Identification Number (PIN)**

- 9.1 The Cardholder will assign a PIN to authenticate Transactions at ATMs and other PIN based terminals by calling MF's customer service and choose a 4-digit PIN.
- 9.2 The Cardholder shall not disclose the PIN to any person. Accordingly, any PIN related Transaction shall be deemed to be performed by the Cardholder.

## **10. Card Statements**

- 10.1 MF shall send a Card Statement to the Principal Cardholder each month. If the Principal Cardholder does not receive the Card Statement, he/she should report to MF immediately and request a copy of the Card Statement. In the event that MF is unable to send the Card Statement for any reason whatsoever or the Card Statement is not received by the Principal Cardholder, MF shall not be liable to the Cardholder for any consequence of not receiving his statement and the obligations of the Cardholder to MF under these Terms and Conditions shall not be affected and all charges and fees payable under these Terms and Conditions shall continue to be applicable.

- 10.2 The Cardholder must verify all the Transactions billed on the Card Statement and in case of any discrepancy, notify MF immediately.
- 10.3 If the Principal Cardholder does not recognize a Transaction and wishes to receive a copy of the Transaction record, MF shall arrange to provide such a copy in accordance with MasterCard rules and regulations and the Cardholder shall be liable for the applicable charges incurred relating to providing such copies in accordance with the Schedule of Charges. In the event the investigation undertaken by MF, proves that the Cardholder is not responsible for the Transaction MF shall reimburse the charges to the Card Account.
- 10.4 All notices sent by MF to the Principal Cardholder's last known address (including email address) notified in writing by the Principal Cardholder to MF shall be deemed validly served and binding on the Cardholder.
- 10.5 The Principal Cardholder must promptly notify the MF in writing of any changes in his/her personal information, including but not limited to home address, mobile number, email address, P.O. Box Number, home telephone number and office telephone number.

## **11. Renewals**

Following the expiry date of the Card, the MF may, at its sole discretion issue a new Card pursuant to a new arrangement between MF and the Cardholder.

## **12. Disputes on transactions**

- 12.1 The entries in the Card Statement shall be presumed to be correct unless the Principal Cardholder objects to the entries within a period of fifteen (15) calendar days from the date of the Card Statement and proves them to be incorrect.
- 12.2 If the Principal Cardholder objects to an entry, the Principal Cardholder must send a signed Dispute Form to MF and MF shall then initiate an investigation and advise the Principal Cardholder with the outcome. MF shall charge an investigation fee in accordance with Schedule of Charges. If a disputed transaction is found to be genuine, a transaction dispute fee shall be debited from the Card Account. In the event the investigation undertaken by MF, proves that the disputed transaction is found not genuine MF shall reimburse the charges to the Card Account.

- 12.3 MF is not obliged to investigate any Transaction not reported to MF by the Principal Cardholder within the time frame mentioned above.

### **13. Cancellation**

- 13.1 The Principal Cardholder may, by a written request to MF, cancel the Card anytime. The Principal Cardholder will be released from the liability arising under the Card Account, Principal Card and any Supplementary Cards after:
- (a) Surrendering Principal and any Supplementary Cards, and any other similar card or product to access MF or third party services, issued - to the Principal and/or Supplementary Cardholder;
  - (b) Settling all amounts due and payable by the Principal Cardholder to MF on the Card; and
  - (c) The passage of a period of thirty (30) business days from the cancellation of the Cards and confirmation that there are no Transactions pending in transit.
- 13.2 MF has the right to cancel, withdraw or suspend fully or partly or restrict use of the Card at any time without any notice and/or advice to the Principal Cardholder and to settle all outstanding amounts due and payable by the Principal Cardholder to MF from any of the Cardholder's accounts held with MF for reasons including but not limited to cases of fraud, suspicious activity or national security.
- 13.3 Notwithstanding any cancellation, these Terms and Conditions will remain valid and in full force until payment of the Transactions and all other outstanding amounts in respect of the cancelled Card(s) have been received by MF.

### **14. General**

- 14.1 MF reserves the right to amend these Terms and Conditions, the Schedule of Fees / Charges and other fees payable by the Cardholder from time to time, at its sole discretion by giving notice to the Cardholder. Communicating such changes by such means MF may consider appropriate will constitute

effective notice to the Cardholder. Use of the Card on and after the date upon which any amendment to these Terms and Conditions, the Schedule of Charges or other fees and charges payable by the Cardholder is to have effect (as may be specified in MF's notice) will constitute acceptance, without reservation by the Cardholder, of such amendment. The latest version of these Terms and Conditions can be found on [www.mawarid.ae](http://www.mawarid.ae). The Cardholder may refuse to accept such changes by advising MF of his/her non-acceptance before the effective date of such change. The Cardholder's non-acceptance of the changes shall be deemed a request by the Cardholder to cancel the Card and the Cardholder must return the Principal Card and any Supplementary Card(s) to the MF for cancellation. The Cardholder will indemnify the MF (notwithstanding any termination of the Cardholder's obligations under these Terms and Conditions) against Transactions and any charges and liabilities in respect of the Card(s) incurred prior to the return of the Card(s) to MF and payments of all amounts outstanding in relation to each Card.

- 14.2 These Terms and Conditions supersede any similar agreement with the MF in connection with the issue or use of the Card(s), such agreement being hereby cancelled.
- 14.3 The Schedule of Services and Fees together with details of any other charges applicable to the Card and its use are available at any of MF's offices in the UAE or a copy may be obtained from MF's website.
- 14.4 The Card and PIN are issued by MF at the full risk of the Cardholder. MF shall not be responsible for loss or damage caused due to the Card and PIN which are not due to MF's fault or negligence.
- 14.5 The Cardholder shall exercise every possible care to prevent the Card and its related PIN being lost or stolen or disclosed to any other person and shall notify MF immediately and confirm in writing of any such incidence. Notwithstanding anything to the contrary in these Terms and Conditions, the Cardholder will be liable for all actual costs, losses, expenses or liabilities incurred or sustained by MF arising from the use of the Card by any person obtaining possession of it with the Cardholder's consent.
- 14.6 MF shall not be responsible in any way for goods

or services purchased by the Cardholder from the Merchant on the Card and in all circumstances the Cardholder shall honor all vouchers executed bearing the electronic or manual imprint of the Card irrespective of the Cardholder's signature. Any complaint by the Cardholder must be resolved by the Cardholder with the Merchant directly and MF shall have no involvement or responsibility in relation to such complaint. No claim by a Cardholder against a Merchant may be the subject of a claim against MF. MF will credit the Cardholder's Card Account with the amount of any refund only upon receipt of a properly issued credit voucher from a Merchant.

- 14.7 With respect to any Transaction in a currency other than AED, the Cardholder authorizes MF to convert such currency into AED in accordance with the non AED transactions wholesale foreign exchange market spot rate that is selected and applied by MasterCard on the date of conversion.
- 14.8 In case of death of the Cardholder, MF shall have the right to demand from the heirs of Cardholder to settle all outstanding amounts (if any) immediately in accordance with Shari'ah governing guidelines of inheritance. If the Cardholder is declared bankrupt, all outstanding amounts from the Cardholder shall immediately become due and payable to MF.
- 14.9 The security (Sukuk) held against the Card Account, or such as salary assignment, deposit, guarantee or any other security shall not be released until thirty (30) business days after the cancellation and full settlement of the Card Limit (if any).
- 14.10 The Cardholder understands, acknowledges and accepts that:
- (a) The services rendered by the use of the Card may be suspended in some countries on some days due to religious, national and other official holidays;
  - (b) MF may suspend the use of the Card if there is any suspicion of fraud or illegal use of the Card; and
  - (c) If the Cardholder wishes to leave the UAE in order to reside elsewhere, the Card shall be returned to MF sixty (60) calendar days prior to his/her departure.
- 14.11 MF shall in its sole discretion have the right to debit

any Loyalty Points or Cashback that may have been incorrectly credited to the Card Account due to a technical, operational or any other reason.

- 14.12 Whenever required by MF, the Cardholder shall furnish data concerning his or her financial position to the MF. The Cardholder further authorizes MF to independently verify the information furnished with any of its bankers, accountants, auditors, any credit bureau or other relevant third party. If the data is not furnished when called for, MF may at its discretion, refuse renewal of the Card or cancel the Card forthwith.
- 14.13 Each Cardholder authorizes MF to disclose information concerning the Cardholder or the Cardholder's Card Account to such persons as MF may see fit or as may be required by law including without limitation, the UAE Central Bank, any credit bureau, collection agency or other banks or financial institutions.
- 14.14 These Terms and Conditions shall be governed by and construed in accordance with the federal laws of the UAE as applied by Dubai courts to the extent that such laws do not contravene the principles and rules of Shari'ah, as determined by Fatwa and Shari'ah Supervisory Board of the MF. The parties hereby submit to the non-exclusive jurisdiction of Dubai courts in relation to any dispute or any proceedings arising out of or in connection with these Terms and Conditions.
- 14.15 Any matter not contained herein shall be subject to the rules and regulations of MasterCard as amended from time to time, provided that such provisions do not contravene the rules and principles of Shari'ah as determined by the Fatwa and Shari'ah Supervisory Board of MF.
- 14.16 The Cardholder assigns such promissory note or security cheque to MF as securities for his/her obligations under the Murabaha Sale Contract(s) related to the Cardholder's Covered Card(s). MF shall exercise its security rights on this promissory note or security cheque in the event of payment default by the Cardholder.

## **SECTION B: General Mechanism of the Covered Card**

### **15. Mechanism of the Covered Card**



15.1 The mechanism of the Covered Card “the Card” is based on Sukuk Murabaha where a National Bonds Sukuk holder agrees and submits application for Cover Card. After providing all required documents, MF will fix a credit limit approved by NBC in reference to the Sukuk value and will issue an In-active Card to the Client. The Card will be activated after proceeding the Murabaha Contract.

MF first purchase Sukuk equal to the approved Credit Limit and then sells to the applicant executing Murabaha Contract, on a higher price (Cost + Profit) and on a deferred payment for the entire tenure; e.g. X years

MF and applicant agreed on Terms and Condition and the applicant knows the profit rate, tenure and payment procedures.

Applicant appoint MF as an Agent / a Messenger through Service Contract and has to convey his (Applicant) message to the NBC to sell the commodity for and on behalf of the applicant.

After completing all the required procedures, MF opens a Card Account for the Cardholder and deposits the cash proceeds from the sale of Sukuk to third party.

CH appointing MF as Wakil Bil Istithmar (Investment Agent) and will pay Ujratul Wakil (Wakala fee) to invest the available limit for the CH and make profit which will be added to the card account or will be taken as an instalment.

This amount is owing by Card Holder and he has the right to utilize this amount but only through the Card (with PIN number) provided by MF and the Card Holder is also permitted to use the Card for purchasing goods, services and cash withdrawals.

The Sukuk (the Cardholder owned already) becomes pledged (the guarantee) against the Credit limit approved for the Cardholder.

15.1.1 Upon purchasing a share of the commodities / Sukuk and bearing the underlying transaction risks, the Principal Cardholder shall have the right either to require a physical delivery of his/her share at his/her own expenses (in accordance with the terms of the Murabaha Contract) or to sell the share to the third party.

- (a) If the Principal Cardholder chooses to sell, he/she will sign an offer to sell (the "Offer to Sell") directed to the third party purchaser recommended by MF or any other purchaser the Principal Cardholder might choose to sell to. The Principal Cardholder shall forward the Offer to Sell to the purchaser or may ask MF (as a messenger) to forward it to such purchaser.
- 15.1.2 Once the Offer to Sell has been signed and accepted by the purchaser, the Principal Cardholder might choose to sign a Service Contract with MF and agree on the following:
- 15.1.3 MF shall collect the Selling Price from the third party purchaser; to whom the Offer to Sell notice is directed (provided that party accepts the Sale).
- 15.1.4 MF shall deposit the Selling Price in the Card Account in accordance with the security condition in the Murabaha Contract. When the selling price has been deposited in the applicant's Card account with MF, the applicant shall have the right to use this money as he/she pleases through the card.
- 15.1.5 MF shall allow the Principal Cardholder to use the amount (which represents the Card Limit) through the Card.
- 15.2 In accordance with the Services Contract, MF (on behalf of the Principal Cardholder) shall pay all the amounts due from the use of the Card from the Card Limit available in the Card Account.
- 15.3 The Principal Cardholder shall have the right to request cash withdrawals using the Card Limit and not only for purchasing goods and services. If the Principal Cardholder chooses to use the Card for cash withdrawals, then Principal Cardholder shall pay a service fee as specified in the Schedule of Fee against each cash withdrawal.
- 15.4 MF's profit shall be as specified in the Murabaha Contract (if there is a Murabaha Contract). The remaining amount of the monthly payment of the Murabaha deferred price (after the set-off between it and the profit generated by the Card Account) shall be the amount to be paid by the Principal Cardholder. MF may at its sole discretion give bonus which may result in reducing this amount.
- 15.5 The above explained mechanism of the Card, its producers, contracts and the other detailed

execution documents have been reviewed and approved by MF's Fatwa and Shari'ah Supervisory Board.

## 16. MasterCard Premium Offers

The MasterCard offers are independently provided by MasterCard. Each offer will carry its own Terms and Conditions, which will be provided by MasterCard. Cardholders must read and understand the relevant MasterCard Terms and Conditions before using any MasterCard offer.

### Disclaimer:

**a. Souhoula Credit Card** is offered by Mawarid Finance PJSC exclusively to National Bonds Corporation PJSC "NBC" customers. None of the services offered by third parties under a Co-branded Card shall be construed as an endorsement or recommendation by NBC. While utmost caution will be taken by NBC in selecting the Co-branded Card Partner, NBC will not be responsible for any service issues caused by partners which are beyond its control. In particular, NBC shall not, at any time, be deemed as an agent, partner or joint venture company of such third party service providers in respect of any Co-branded Card.

### **b. Exclusion of Liability with the Customer**

NBC shall be under no liability whatsoever to the Cardholder in respect of a co-branded credit card, any failure by the Partner of such co-branded credit card to provide the agreed rewards or benefits.

### **c. NBC's Role in future changes to the Credit Card Terms**

NBC shall not be responsible for any changes made by the Co-branded Credit Card Operator to the terms and conditions agreed. NBC's role is limited to implementing the requirements of Pledge/Lien signed by the Customer.