

Key Fact Statement

Commodity Murabaha | Individual Finance

Mawarid Finance PJSC (“Mawarid”) is an Islamic finance company licensed by the UAE Central Bank, Mawarid provides you with the necessary finance facility “Floosi” which is a flexible short term financing product that provides fast, easy and short term cash solutions to meet your unforeseen or short term increased expenditure. Based on the Islamic form of financing, this service is offered to UAE nationals and expats who are salaried or self-employed.

Shari’a concept	The Shari’ah form for this product is <i>Commodity Murabaha - Floosi</i> where Mawarid buys commodities and sells these to the customer on deferred payment and at cost plus profit. The Customer then sells the commodity or request Mawarid Finance to act as an agent/ messenger and sells the commodities on the client’s behalf to a third party and the customer will afterwards receive the sale proceeds in the form of cheque payments.
Shari’a Structure	<ol style="list-style-type: none"> 1. The customer submits the finance request, accompanied by the necessary documents 2. On transaction day or before, Mawarid purchases a quantity of (commodities, sukuk, etc.) from broker (A) equal in value to the required financing amount 3. By exchanging offer and acceptance notices, Mawarid becomes the owner of the item (subject to sale contract: commodities/sukuk) 4. Mawarid shall sell the item (commodities/sukuk) to the customer on Murabaha basis, in which Murabaha contract details the cost and profit, the payment period and other relevant financial terms agreed between the two parties 5. By signing the Murabaha contract, the customer becomes the owner of that item 6. The customer has the choice between keeping the (commodities/ sukuk), or selling it in the market by himself or through Mawarid (as messenger or agent as per the product structure) 7. In case that Mawarid is assigned as an agent to sell the commodities, or assigned as messenger to notify the buyer with customer offer, Mawarid will then sell the commodity to broker (B), who will accept to purchase the commodity at the offered price 8. After the sale process is completed, the sale amount is deposited into the customer’s account with Mawarid

Key Product Features

Maximum Facility Tenor:	36 months
Maximum Finance:	Facility limit of up to AED 250,000
Upfront Instalment Deferments	Max. 2 months deferment of EMI
Facility Processing Fee:	1% Fees & Charges
Early Settlement:	Finance can be fully settled any time by you before the maturity date of finance by providing proof of source of funds.
Partial Settlement:	Finance can be partially settled any time by you before the maturity date of finance by providing proof of source of funds.
Advance Payment:	You could pay a maximum of two installments in advance.
Donation Commitment to Charity in case of Late Payment Event:	In the event of a delayed payment of your monthly instalment, you may undertake to pay charity.
<p>Note: Mawarid reserves the right to amend the Terms and Conditions, Schedule of Charges, Finance Services and Tariff Board and other fees payable by you from time to time after giving a notice period of at least 60 days. Current Mawarid Finance Corporate Finance Terms and conditions are available at: http://mawarid.ae/en/MainMenu/SME.Finance/Financing.Solutions/Revolving.Commodity.Murhabaha.Finance/Product.Overview.aspx and Schedule of Charges are available at: http://mawarid.ae/Data/Files/Mawarid_Finance_Fees_May_2022.pdf</p>	

Financial Terms

Murabaha Finance Amount:	Cost of Murabaha minus down payment if any.
Murabaha Profit Rate (Fixed):	Debt Settlement: 9.9%
	Other Finance products: 12%
	Murabaha Profit rate is the rate that is used to calculate the annual profit amount by reducing/flat balance method.
	The Total profit amount computation formula is included in the Murabaha Sale Contract.
Monthly Instalment:	Your monthly obligation against each Personal Finance.
Debt Service Ratio (DSR):	Total monthly obligations towards financial facilities as a component of monthly income. Additionally, AECB scores will be considered into DSR calculations (AECB consent form will be taken for AECB review)
Detailed Finance Payment Schedule:	Detailed finance payment schedule having financial obligation details including monthly instalments, profit amount /Murabaha cost amount, total sale price and deferred amount, payment frequency and installments dates during the period of finance.

Key Requirements, Limitations, Obligations and Risks

- The applicant should be above 21 years
- The applicant should be a Salaried individual residing in UAE and meet the income criteria of Mawarid Finance PJSC
- The applicant shall meet the affordability assessment criteria.

Note:

- Mawarid Finance PJSC has the right to decline any application at its own discretion.
- All charges paid to Mawarid Finance PJSC for services already rendered are non-refundable.
- Based on the Murabaha sale contract and relevant financing documents, to recover the outstanding balance, and at any time after, the occurrence of an Event of Default, Mawarid Finance PJSC may, at its discretion:
 - Terminate the Murabaha sale contract.
 - Demand that you to pay all outstanding installments and otherwise declare due all amounts payable under the Murabaha sale contract;
 - Exercise its rights under any security and otherwise initiate any legal action and remedies available to Mawarid Finance PJSC by law or in accordance with the Murabaha sale contract.

Key Disclosure

- You must ensure that the Commodity Finance Terms and Conditions as displayed on the website, Murabaha contract, T&C available on Mawarid Finance PJSC website and other documents signed by you are read, understood and agreed by you.
- For any campaign features, you may refer to 'Campaign T&C's'.
- Post signing of the Murabaha Sale contract, you become the owner of the underlying asset and become responsible of its associated pricing / loss related risks that will, if any, be borne by you i.e. for Commodity Murabaha finance product, SUKUK from Mawarid Finance PJSC through Murabaha sale contract. Post the date and time of concluding Murabaha Sale contract through the Mawarid Finance PJSC website, any financial loss on SUKUK due to any reason shall be borne by you.
- In case of early/partial settlement of finance, you understand that the settlement amount will be the actual outstanding amount on the date of settlement including Non-waived profit and profit charged for the current month until the date of settlement as defined below and other overdue financial charges.

**waived at the absolute and sole discretion of the Finance company*

Warning

- **If you do not meet the payments on your financing, this may affect your credit rating, which may limit your ability to obtain financing in the future.**
- **In case of late payment of monthly instalments, you will pay AED 200 + VAT as donation commitment to charity if it is stipulated in the relevant contractual documents.**
- **You may have to pay a fee if you pay off a financing early.**

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 Mawarid. 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.