

We kindly request you to carefully read and understand this document, if you are considering applying for a Personal Finance product from Commercial Bank of Dubai. This document is also available in Arabic. By signing this KFS document, you acknowledge that you have read and understood the PERSONAL FINANCE features & benefits, applicable Murabaha profit rate, fee & charges and the General Terms and Conditions published in the Bank's website <https://www.cbdislami.ae/general/terms-conditions>

This document is in the form of an acknowledgement by you and does not intend to create legal rights or obligations between the parties. In case of an inconsistency between this document and the General Terms and Conditions or product specific Terms and Conditions, the General Terms and Conditions and product specific Terms and Conditions shall prevail. In case of a change in the General Terms and Conditions or product specific Terms and Conditions, there is no obligation on the bank to amend this document.

The Bank offers various PERSONAL FINANCE products including, (a) New Personal Finance, b) Top-up of existing Personal Finance, c) Buy-out/transfer of Personal Finance from another Bank. (d) Quick/Digi Finance through Mobile App, and (e) Personal Finance against Fixed Deposit.

#### SHARIA STRUCTURE – PERSONAL FINANCE

Personal Finance is provided by CBD Al Islami on the Sharia structure of Murabaha. Under the Murabaha, CBD Al Islami will purchase certain commodities from the market and sell it you after adding a profit amount. Profit amount is determined by the rate provided under the agreement. Subsequently, you may through your agent sell the commodities in the market and the sale proceeds will be credit to your account with CBD Al Islami.

As part of the process of Murabaha, you are required to provide a **Promise to Purchase** to the Bank to buy commodities from the bank for an amount equal to cost price (**equivalent to the desired finance amount**) plus the profit amount determined as per the mechanism provided in the Promise to Purchase. Subsequently, relying on the promise, the Bank will purchase such commodities from the market and thereafter sell those commodities to you on Murabaha basis. You may be required to appoint a third party agent to facilitate the Murabaha purchase and sale with the bank in the market as you may not be able to access the market directly.

#### ELIGIBILITY CRITERIA, DOCUMENTS REQUIRED AND FINANCIAL TERMS

##### ELIGIBILITY CRITERIA

Product Variants	Segment	Criteria
Salary Transfer Finance	UAE Nationals	<ul style="list-style-type: none"> <li>- Aged between 21 and 65 years (at the Finance maturity)</li> <li>- For confirmed employee or with six months minimum length of service with a CBD approved employer</li> <li>- If your total monthly income/salary is starting from AED 8,000*</li> <li>- It is mandatory that your monthly salary is transferred to your account with CBD</li> </ul>
	Expatriates	<ul style="list-style-type: none"> <li>- Aged between 21 and 60 years (at the Finance maturity)</li> <li>- For confirmed employee or with six months minimum length of service with a CBD approved employer</li> <li>- If your total monthly income/salary is starting from AED 8,000*</li> <li>- It is mandatory that your monthly salary is transferred to your account with CBD</li> </ul>
Quick/ Digi Finance (non-salary transfer)	Expatriates	<ul style="list-style-type: none"> <li>- Aged between 21 and 60 years (at the Finance maturity)</li> <li>- For confirmed employee or with six months minimum length of service</li> <li>- If your total monthly income/salary is starting from AED 10,000*</li> </ul>
Personal Finance against Fixed Deposits	UAE Nationals & Expatriates	<ul style="list-style-type: none"> <li>- Minimum age starting 21 (Finance tenure determined in line with deposit term)</li> <li>- Minimum deposit requirement is AED 225,000</li> </ul>

**DISCLAIMER:** \* Terms & Conditions Apply <https://www.cbdislami.ae/general/terms-conditions>

##### DOCUMENTS REQUIRED

Segment	Documents
UAE Nationals and UAE Resident Expatriates	Application form, Murabaha process forms (Hypothecation form for personal finance against fixed deposits)
	National ID, valid passport, residence visa and Emirates ID
	Original 6 months' bank statements for new customers
	Salary Certificate/Salary Transfer letter and pay-slips, where applicable
	Security Cheque (amount should not be more than 120% of the Finance amount) – This security cheque is collected as part of the documentation and may be used in the event of default.

##### FINANCIAL TERMS

Finance Amount	Maximum AED 2.5m for UAE Nationals Maximum AED 1.5m for Armed Forces Maximum AED 1.0m for Pensioners Maximum AED 750k for UAE Expatriates (residents) Maximum AED 150k for non-salary transfer Quick/Digi Finance Maximum 90% of Deposit Value for personal finance against fixed deposits
Tenure of Financing	Up to 48 months / 60 months for pensioners from Armed Forces
Age at Maturity	Maximum of 65 years for UAE Nationals Maximum of 60 years for Expatriates Maximum of 60 years for UAE Nationals and Expatriates, in case of personal finance against fixed deposits



<b>Income Multiples</b>	Maximum of 20 times of monthly salary for UAE Nationals Maximum of 15 times of monthly salary for Armed Forces and UAE Expatriates (residents) Maximum AED 150k for non-salary transfer Quick/Digi Finance
<b>Debt Burden Ratio</b>	Maximum of 50% (30% for Pensioners)
<b>Murabaha Profit Rate</b>	Murabaha Profit Rate provided by the bank to you is based on individual profile such as monthly salary, employer, finance amount, your existing financings and other parameters at OUR discretion.

## FEES AND MURABAHA PROFIT RATE

### BREAKDOWN OF FEES & CHARGES

	Fees & Charges	
<b>Murabaha Profit Rate (Reducing)</b>	<b>Starting from 5.50%</b>	<b>IMPORTANT:</b> The Murabaha Profit rates are starting from 5.50% to Maximum 20% reducing per annum.
	<b>ILLUSTRATION: Sale Price &amp; Profit calculations:</b>	
	a	Personal Finance Amount/Cost Price
	b	Murabaha Profit Rate
	c	Financing Tenure
	d	Profit Amount
	e	Sale Price (a) + (d)
		100,000/-
		5.50%
		12 months
		2,979.83*
		102,979.83
	<b>Murabaha Sale Price Calculation Formula:</b>	
	Total Murabaha Sale Price = Cost Price + Profit Amount	
	Profit Amount: Cost Price x Profit Rate x Tenure (*calculated on reducing balance method)	
	<b>IMPORTANT</b>	
	For Personal Finance against fixed deposits,	
	- Financing tenure equal to or less than 2 Years - Deposit rate + 0.5% with minimum of 12 months EIBOR	
	- Financing tenure more than 2 Years - Deposit rate + 1% with minimum of 12 months EIBOR	
	Applicable EIBOR rate of the 1st day of each quarter will apply on all the bookings during the quarter. Financing booked on reducing rate basis by conversion Flat Rate to Reducing – conversion factor 1.832	
	The amortization of monthly instalments between principal and profit is based on reducing rate of profit computation. Murabaha Profit once calculated is final and there cannot be any increment on the profit amount.	
<b>Processing Fee</b>	For Salary transfer Financing, <b>1%</b> flat of finance amount ( <b>minimum AED 525</b> and <b>maximum AED 2,625</b> ) For non-salary transfer Quick/Digi Financing, <b>0.5%</b> flat of Finance amount ( <b>minimum AED 525</b> and <b>maximum AED 787.50</b> )	<b>IMPORTANT:</b> This fee is applicable for processing your Finance request  This is one time fee and is charged upfront
<b>Discretionary rebate on any type of Part Payment, Early settlement, or Final settlement (own sources/ other source or bank/end-of-service benefits)</b>	1% of remaining balance (VAT is applicable) or AED10,500 whichever is lower	<b>IMPORTANT:</b> CBD Al Islami may offer a rebate on total Murabaha Sale Price payable by you at the time of such part payment or early settlement.
<b>Life Takaful (insurance)**</b>	Starting from 0.82%	<b>IMPORTANT:</b> The Takaful charges are stated on the entire Finance value. You will be offered 3 options to choose from as your preferred takaful provider with charges ranging from 0.82% up to 2.0% of the total Finance value. It is a security condition related to the finance.
<b>Commodity Trading Fee</b>	AED 25 per million, Minimum AED 120	<b>IMPORTANT:</b> The charges are applicable for DMCC commodity trading.
<b>Postponement request</b>	AED 105	<b>IMPORTANT:</b> This fee is charged for any request to postpone/ defer an installment payment.



<b>Donation Amount (Contributed to Charity)</b>	Maximum AED 200	<b>IMPORTANT:</b> Applicable when you do not pay the required Installment Amount Due on or before the Payment Due Date. You “the Customer” irrevocably undertake to make the donation and such payment is specified in the Schedule of Charges. The commitment to donate is subject to the Bank requesting the customer to settle the due payment and You delaying the payment. Bank under the supervision of the ISSC, shall make the payment to a charity designated by the Bank after deducting the actual cost incurred towards collection. Your delay in payment shall be construed as your procrastination in paying your dues.
<b>Finance cancellation fee</b>	AED 105	<b>IMPORTANT:</b> This fee is charged for cancelling the finance after issuance of the documents.
<b>Issuance of liability letter to other banks</b>	AED 63	<b>IMPORTANT:</b> This fee is applicable to any request for issuance of a liability letter to other banks.

**DISCLAIMER:** \*\* The Life Takaful (insurance) fees is not applicable for secured financing (i.e. finance against deposit)

**IMPORTANT:** Product structure of Personal Finance is approved by Internal Sharia Supervisory Committee (ISSC) and related FATWA of Sharia approval can be found <https://www.cbdislami.ae/personal/finance/others/fatwas>. You may conduct your own assessment of Sharia compliance and do not call into question the Fatwa of the ISSC of the Bank at any point of time.

#### DISCLAIMERS:

- 1- All Fees mentioned above & on Bank’s website are inclusive of Value Added Tax (VAT) unless stated separately. A VAT of 5% shall be applicable on all Fees levied by the Bank and will be billed along with the Fee and charged in the monthly Statement of Accounts (SOA).
- 2- Fees & rates mentioned in the table above are applicable for all Personal Finance types.
- 3- Fees & profit rates mentioned above are as of the date above. Kindly visit <https://www.cbdislami.ae/personal/finance/financing/absher-personal-finance> for the list of updated charges.
- 4- Bank reserves the right to revise the Fees & Charges at any time by providing sixty (60) days prior written notice to the customer’s registered contact details.

#### KEY RISKS

- 1- Customer’s payment history in the credit bureau on other facilities held with CBD or other banks will impact customer’s ability to get a new finance.
- 2- An income reduction due to retirement, change of employment or any other personal circumstances may result in an increase to customer’s Debt Burden Ratio (DBR) thereby impacting customer’s payment ability toward the customer finance.
- 3- The commodity trade to facilitate Murabaha may involve significant risk to the Customer.

#### WARNING:

1. If the customer fails to meet his/ her monthly repayment commitment on the PERSONAL FINANCE, his/her account will go into arrears. This may affect the customer’s credit rating and limit his/her ability to avail financing in future. Additionally, the Bank may reserve the right to take appropriate legal action against the customer for breaching its contractual/ financing terms.
2. If the customer pays the amounts due under Personal Finance before the end of the financing tenure, discretionary rebate may be provided by CBD. Kindly visit <https://www.cbdislami.ae/personal/finance/financing/absher-personal-finance> for the list of updated charges.
3. The customer may remain liable for the outstanding obligations after consideration of any proceeds of sale of a collateral and including accrued profit, fees, legal, selling, and other related costs.
4. CBD employees are not authorized to collect cash or cheques in favor of other beneficiaries. CBD is not liable for any cash payments, cheques or wire transfers authorized by customer to third parties or CBD employees.

#### General Notices:

1. The Bank reserves the right to decline any customer application at its sole discretion.
2. The above product criteria are subject to CBD’s approved product policy.
3. CBD terms and conditions apply <https://www.cbdislami.ae/general/terms-conditions>
4. The Bank reserves full-unrestricted rights to modify applicable terms offered on the PERSONAL FINANCE and revise the Fees and Charges at any time by giving a written notice to the customers registered contact details with prior sixty (60) days of effecting such changes wherever applicable.
5. The Data Privacy prescribes rules and regulations regarding the collection, handling, disclosure and use of personal data in the Bank. Kindly visit <https://www.cbd.ae/general/privacy-policy> for the details on Privacy policy of the Bank.

#### COOLING PERIOD:

Bank provides a ‘Cooling Period’ of five (5) days from the date of signing the contract for you to decide in continuing to avail the PERSONAL FINANCE facility you have applied for.

After this cooling-off period, it shall be held that you have confirmed acceptance of the PERSONAL FINANCE and will adhere to the applicable General Terms and Conditions, along with the applicable Fees & Charges published on [www.cbdislami.ae](http://www.cbdislami.ae)

I hereby acknowledge that I have read this PERSONAL FINANCE Key Facts Statement and fully understand the Features, Risks, Benefits, Fees and associated General Terms and Conditions made available to me via <https://www.cbdislami.ae/general/terms-conditions> .