

Trade and Working Capital Facilities - Key Facts Statement

KEY FACTS STATEMENT - (Trade and Working Capital facilities) by Dubai Islamic Bank Public Joint Stock Company, licensed and regulated by the Central Bank of the UAE.

THIS IS NOT AN OFFER. This Key Facts Statement is provided to help you to compare this Product for Business Banking of other banks. This Key Facts Statement is not a Finance offer will expire in 15 days from the date of issue.

Definition:

"You", "your", "Customer" or "Customer" means the customer. "We", "our" and "us" refers to Dubai Islamic Bank PJSC or DIB or Bank and/or its successors and assigns or to any "Affiliate" if any services are being provided by an Affiliate under the general terms and conditions for accounts and Islamic Banking services of DIB (where applicable).

Product Description

A Trade and working capital facility is designed to offer revolving facilities / term finance to cater to business needs.

Maximum Facility Amount of AED 30 million and renewed annually.

The Product is determined as Sharia compliant by the Bank's Internal Sharia Supervisory Committee (ISSC). You should also make your own independent assessment as to the Sharia compliance of the Product with all its applicable documentation and process prior to acceptance and not call into question its Sharia compliance in any forum.

Product Types

Islamic Trade and Working Capital products are structured under the following concepts:

1. Murabaha

Murabaha is an Islamic financing structure that works as a sales contract, fixing the price of goods or items as required by a customer, inclusive of a pre-agreed profit margin. The bank then makes the purchase and closes the deal with the customer's seller of choice and subsequently enters into a sale with the customer on Murabaha basis. The customer pays the bank according to pre-defined installments or settlement terms.

How the contract works: The Bank purchases an identified asset/commodity and sells it to the customer at its cost plus an agreed profit margin. The customer pays the sale price on a deferred or instalment basis

Commercial Need: Purchase of goods, inventory, equipment and other identified assets for business needs.

Note: Murabaha is offered in line with the Bank's approved product guidelines.

2. Wakala Murabaha

A Wakala-Murabaha structure combines an agency contract (Wakala) with a cost-plus sale agreement (Murabaha), consisting of appointing the customer as an agent to purchase an asset, followed by the bank selling that asset to the customer on a deferred payment basis.

How the contract works: The customer appoints the Bank as an agent (Wakeel) to purchase commodities. The commodities are then used in a Murabaha transaction, with an agreed profit and deferred payment terms.

Commercial Need: Meeting short to medium term working capital and liquidity requirements through a structured Shariah-compliant financing arrangement.

Note: Wakala Murabaha is offered in line with the Bank's approved product guidelines.

3. Commodity Murabaha

The Bank shall finance the Customer under secured financing against security cheque or invoices, and short-term finance against invoices as security.

How the contract works: The Bank purchases a commodity from a broker and sells it to the customer at cost plus an agreed profit on deferred terms. The customer then sells the commodity to a third party for cash, providing liquidity

Commercial Need: Commodity Murabaha Providing cash/liquidity, working capital and general business financing where an underlying trade transaction is used for the financing structure.

Note: Commodity Murabaha is offered in line with the Bank's approved product guidelines.

4. Mudaraba

In Mudaraba financing, the Bank can invest customer funds in either a new or existing company and the customer and Bank agree to profit and loss sharing terms in advance.

How the contract works: A partnership where one party provides the capital (Rab-ul-Maal, being the Bank) and the other manages the business (Mudarib, being the Customer). Profit is shared according to an agreed ratio, while loss is borne by the capital provider, subject to the contractual terms and applicable rules.

Commercial Need: Mudaraba Investment and business ventures where capital is provided by one party and managed by another, with profit and loss shared as agreed.

Note: Mudaraba is offered in line with the Bank's approved product guidelines.

5. Musharaka

Musharaka is a partnership between the customer and the Bank, wherein DIB participates in financing new or existing projects, sharing the capital, returns and risks. The Bank may alternatively contribute to the ownership of specified assets on a permanent or a non-permanent basis provided that the profit is shared in accordance with an agreement between the Bank and the customer.

How the contract works: The Bank and customer contribute capital to a joint venture or asset. Profits are shared according to an agreed ratio, while losses are shared in proportion to the capital contribution.

Commercial Need: Business expansion, project finance, joint ventures and property/asset financing where both parties contribute capital.

Note: Musharaka is offered in line with the Bank's approved product guidelines.

6. Ijara

This is a lease contract wherein the Bank leases property to the customer in return for a rental payment over a specified financing period. The Bank promises to sell the property to the customer at the end of the financing period, or upon early settlement, provided all payments have been made in accordance with the Sharia documentation.

How the contract works: The Bank purchases an asset and leases it to the customer for an agreed rental over a specified period. Ownership remains with the Bank during the lease, subject to the agreed Ijara structure and terms

Commercial Need: Financing the acquisition/use of vehicles, machinery, equipment, property and other productive assets through leasing.

Note: Ijara is offered in line with the Bank's approved product guidelines.

For more details about products and structure, please refer to our website, <https://www.dib.ae/business>

Profit Rate:

Profit amount will be based on the agreed profit rate with customer as per facility agreement letter.

Minimum profit rate - (3 month EIBOR + 3.5% to 5.5%)

Profit Rate set on a variable rate basis depending on the EIBOR rates.

Due Diligence and Documentation Fee:

NTBs: 0.5% - 1% of the approved limit

Renewal: 0.25% - 0.75% of the approved limit

You should also be aware that the profit rates, fees and charges are those that apply as of the date this Key Fact Statement is issued

Finance Documentation:

The finance documentation shall include, facility agreement letter and document requirements as per facility agreement letter.

Packages

Trade and Working Capital facilities can be availed with any transactional account such as Rewards Account or Current Account

Should you require further information on these products, please request the relevant key Fact Statement from the Bank. Customers may choose from the following packages:

Key Features	AI Islami Plus	AI Islami Premium	AI Islami Infinite	AI Islami Ultimate
Minimum Average Balance Requirement per month	AED 50,000	AED 250,000	AED 500,000	AED 3,500,000
Monthly charge of Minimum Average balance is not maintained	- Free for Trade and Working Capital Customer	- Free for Trade and Working Capital Customer	- Free for Trade and Working Capital Customer	- Free for Trade and Working Capital Customer
Teller Transactions	5 Free per month - AED 42 thereafter	10 Free per month AED 42 thereafter	15 Free per month AED 42 thereafter	30 Free per month AED 42 thereafter
Local Online TT Transactions	5 Free per month AED 52.5 thereafter	10 Free per month AED 42 thereafter	15 Free per month AED 26.25 thereafter	AED 1.05 per transaction
Dedicated Relationship Manager	Available	Available	Available	Available
SME Online Banking Charges-Annual Maintenance	AED 1050	AED 1050	AED 1050	AED 1050
Online Banking Transfer Limits	AED 5 Million per Transaction per day	AED 5 Million per Transaction per day	AED 5 Million per Transaction per day	AED 10 Million per Transaction per day
Debit Card Daily Limits-Withdrawals	AED 30,000	AED 40,000	AED 50,000	AED 75,000
Debit Card Daily Limits-POS/Online	AED 50,000	AED 50,000	AED 75,000	AED 100,000
Discounts at Partners	Applicable	Applicable	Applicable at higher % discounts	Applicable at higher % discounts

The fees outlined above are not exhaustive. Please refer to the Bank's Schedule of Charges available on our website for a complete list of services and applicable charges.

<https://www.dib.ae/docs/default-source/schedule-of-charges/business-banking-soc-en.pdf>

Cooling-off Period

Cooling-off period of 5 days from the day of submitting the application is applicable to Sole Proprietors only. A cooling-off period is the period of time when a customer can cancel his application without incurring a penalty. Due diligence and documentation fees may be partially refunded after the full deduction of costs incurred in processing the customer request.

Customer can waive the cooling-off period to avail the facility immediately.

Key Terms and conditions

Full version of these terms and conditions is available on the website at the following www.dib.ae/terms-and-conditions, The Bank reserves the right to change the term and conditions at any time by giving a prior notice of 60-days to the customer.

Warnings

By availing these products, you will be exposed to the following risks:

- Financing to settle your facilities with other banks may take longer to pay off than your existing facility/ transaction settlement with DIB and may result in paying more to other bank.
- If you default, Bank will report any default or payment delays to AECB which may impact your credit history.
- Please ensure that cheques are issued with due care and prudence. The issuance of a cheque in bad faith may constitute a criminal offence under the laws of UAE. Any guarantees or post-dated cheques provided in connection with this facility may have legal implications. Customers are advised to exercise caution when availing of this financing facility. In the event of default, the Bank may initiate civil and/or criminal proceedings, as applicable under the relevant laws and regulations.
- We undertake to provide assurance to our customers that upon payment in full of any and all amounts due on the account associated to the financial facility in question, the Bank shall ensure such cheques are rendered null and void.
- You are responsible for managing this product and meeting all associated obligations. Failure to do so may result in financial loss or additional costs.
- The Bank is committed to acting fairly and managing any actual or potential conflicts of interest in accordance with its policies and applicable regulatory requirements.
- Financing obtained to settle existing facilities with other banks may take longer to be processed, which could result in additional profit charges on your existing facility until settlement is completed.

Product specific risks are as follows:

Murabaha: The customer is required to pay the agreed sale price and instalments even if the financed asset does not generate the expected business return.

Wakala Murabaha: The customer acts as the Bank's agent for the underlying transaction and is responsible for carrying out the agency obligations correctly. The customer must pay the agreed Murabaha sale price, regardless of the subsequent use or performance of the funds.

Commodity Murabaha: The customer receives financing through commodity purchase and sale transactions and remains liable for the agreed deferred payment, regardless of the subsequent use or performance of the funds.

Mudaraba: Profit is not guaranteed. The customer may receive less profit or no profit, and capital may be exposed to loss depending on the performance of the underlying investment/business, subject to the agreed terms.

Musharaka: The customer shares in the business/asset risk. Returns are not guaranteed, and the value of the investment or underlying asset may decline.

Ijara: The customer must pay the agreed rentals during the lease period. Responsibility for major maintenance, insurance, damage and other asset-related costs are borne by the Bank in line with the product documentation. You are required to pay the finance in accordance with the terms of the facility agreement letter.

How to find the Best Deal for You?

To help you make an informed decision, we encourage you to compare profit rates, fees, charges and features offered by different financial institutions before applying for this product. Selecting the option best suitable for you needs may help you reduce your overall financing costs. Please note that the Bank does not currently offer alternative Trade and Working Capital financing options under this product category.

Where to Apply

You can apply via website by submitting your details or by visiting any branch. Branches will take your details and pass on to our Relationship Managers (RM) who will contact you to assist with the application process.

About Key Facts Statement:

- UAE Central Bank requires all banks to give you a Key Facts Statement like this one when you ask for one and provide the necessary information. Key Facts Statements present information in a consistent format to help you to compare and select the most appropriate financing solution for your needs. You should request and review Key Facts Statements from different financial institutions before making your decision.
- To apply for finance and/or open an account, you must fill the Account Opening application form, provide pertinent identification documents that are valid and supporting documents to support the business model. Our RM/Agent will contact you to assist with required documents. Based on your profile and documents submitted the account / Finance will be opened/executed at bank's discretion.

How to complain to us?

- Any branch
- If assigned to your bank account, your dedicated relationship manager
- Phone Banking (+971 4 609 2525)
- Internet and Mobile Banking
- E-mail: Contactus@dib.ae
- Our Website Complaint Form
- By post: Complaints Management Unit,
Dubai Islamic Bank, PO Box 1080, Dubai, UAE

We will acknowledge your complaint within 2 business days and strive to respond to your complaint within an estimated average of 5 business days.

For more details, please visit www.dib.ae/we-are-listening

Customer Acknowledgment:

I acknowledge the receipt of and understanding of this Key Facts Statement. I also acknowledge that I have an understanding of the product/service features, pricing, benefits, risks, fees and Consumer's rights and obligations as detailed in the Key Facts Statement. I acknowledge and agree that the provision of any banking services shall be at DIB's discretion and subject to all applicable terms and conditions of DIB Banking Services General Terms and Conditions.

"I/We (the applicant) irrevocably and unconditionally authorise the bank to assign my/our account to any of its authorised collection agents situated either locally or internationally to follow up and recover the due and outstanding amounts (inclusive of profit, fees and any other associated charges) along with filing of legal proceedings either inside or outside the country."

"I/We (the Applicant) irrevocably and unconditionally also authorize the Bank to provide such collection agents with any necessary financial information about my/our account including confidential documents related to my/ our (Applicant's) financing facility or any bank account(s) held with the Bank."

I/We (the applicant) do hereby authorise the Bank and or its authorised collections agents situated locally or internationally to visit my premises (place of employment or home) for follow up against the overdue and outstanding amount against the credit / financing facilities availed from the Bank."

I/we understand and accept that my/our expressed consent is required for the Bank to collect, process and share my/our personal information for the purposes listed in the Banking Services Agreement Terms and Conditions. The information provided will be shared and retained in accordance with applicable law concerning data security and privacy protections to safeguard my/our interest as per specifications of the Central Bank of the United Arab Emirates. I/we understand that I/we have the right to withdraw expressed consent for the processing or sharing of my/our information except for the services which requires such consent for the Bank's business operations, however in such case some services may not be available to me/us.

I/we give my/our expressed consent for the Bank to collect, process and share my/our personal information

Applicable for Sole Proprietor only

I understand that I am entitled to a statutory cooling-off period of 5 complete Business Days from the date of submitting my application (Cooling-Off Option) that allows me to reconsider and withdraw from the application without incurring any undue costs, obligations or inconvenience. I have read the Key Fact Statement / Terms and Conditions of the Product and have voluntarily agreed to choose the following with full knowledge of the fact that if I waive my Cooling-Off Option, the transaction will be processed as soon as possible, as per the Bank's normal conduct of business.

- ☐ Retain my Cooling-Off Option of 5 Business Days.
- ☐ Waive off my Cooling-Off Option of 5 Business Days.

If you choose to waive your Cooling Off Option, you will be entering in to this transaction with immediate commitment, and will be bound by the terms and conditions of the transaction once signed.

Customer Signature: _____

Date of Signature: _____

Company Name: _____

Authorised Signatory Name: _____

Disclaimer:

This communication has been issued by Dubai Islamic Bank PJSC ("DIB") - regulated by the Central Bank of the United Arab Emirates. The information contained in the referenced documents has been compiled with the objective of summarizing the key features of the promoted product and services to confirm the Customer's understanding of the product and services and its associated risks before the Customer's application is executed by the Bank. It does not constitute (i) an offer or a solicitation to deal in any promoted product, or (ii) legal, tax, regulatory, financial, or accounting or Sharia advice. Any decision to avail DIB product and services should be based upon an independent analysis by the Customer of the information contained in the associated offering document or other legal document. The Customer is responsible for consulting his/her own legal, tax or financial advisors for this purpose.