Key Facts Statement (KFS)
Auto Loan

This document reflects product-specific Terms and Conditions governing conventional Auto Loan in addition to Al Masraf (Bank) General Terms and Conditions for Customers.

The Key Facts Sheet highlights important information about conventional Auto Loan such as the interest rate, installment amount and provides you with the total amount to be paid backover the life of the Loan.

Key Product details

Product	Auto Loan	
Description	Car Loan is a loan granted by Al Masraf to the Customer for the purchase of the Vehicle. Under the product, the Customer identifies the Vehicle and requests the Bank to fund the purchase of the vehicle, up to a maximum of 80% of the vehicle value, subject to DBR review.	
Interest Rate + Equal Monthly Installment (EMI)	From 4.56% to 11.99% (per annum on reducing balance). Flat Rate equivalent from 2.49% to 6.55% (per annum) • You will pay Principal + Interest (as per the Bank's prevailing rate) to the Bank on monthly basis. • You are required to pay the EMI on due date to the Bank as per the repayment frequency. • Your loan repayment is on Equated Monthly Installment (EMI) basis and is at a fixed rate for the entire loan period. • EMI is calculated by adding the principal loan amount and total interest and dividing this total by the loan period in months. • This is done using a reducing balance method, which means that as your loan balance reduces, with every Equated Monthly Instalment (EMI) payment, the interest portion of your EMI will reduce. • The Bank charges interest only on the outstanding principal, and not on accrued interest. In case of early settlement, interest will be recalculated on the principal outstanding.	
Fees	• Processing Fees: 1% of the Loan amount (maximum AED 2,500). • Early Settlement Fees/Partial Settlement Fees: 1% of the settled amount. The complete Schedule of Charges (SoC) is available on the link SCHEDULE OF CHARGES - Retail Banking (2023) (almasraf.ae). This SoC is subject to change from time to time at Al Masraf's sole discretion. The Customers will be notified sixty (60) calendar days in advance of any revision.	
Features and Benefits	• High Loan Amount • Repayment up to 60 months • Loan currency is AED only	
Auto Loan Interest Working Example	Vehicle Cost	AED 100,000
	Down Payment	AED 20,000
	Loan Amount	AED 80,000
	Loan Period	60 Months (5 Years)
	Annualized Percentage Rate	5.89% APR Based on fixed interest rate of 5.50% p.a. (equivalent to flat rate of 2.941%) and processing fee of 1.05%
	Total Interest Amount	AED 11,765 Loan amount (80,000)*equivalent flat rate (2.941%)* loan period in years (5)
	Total Repayment Amount	AED 91,765 Loan amount (AED 80,000) + Interest Amount (AED 11,765).
	EMI (Equated Monthly Instalment) Amount	AED 1,528 Total repayment amount (AED 91,765) / Loan tenor in months (60)
	Early Settlement fee (Example)	Outstanding principal amount – AED 20,000 Early Settlement Fee @1.05% (incl VAT) - AED 210
	The loan amount you are eligible for and the interest rate offered may differ from the representative example shown above. This will depend on your credit profile and affordability assessment done by the Bank.	
Extra Grace Period	Interest will accrue during the grace period and be recovered in the first instalment(s). A longer grace period increases total interest payable and overall repayment amount.	
Loan Amount	The amount you can borrow with Auto Loan depends on your income, expenses, liabilities etc. The Bank will consider all your expenses and liabilities to make sure you can make repayments on the Loan without placing yourself under financial stress.	
Down Payment	Minimum 20% Down Payment of car/vehicle value.	
Salary Transfer/Non Salary tranfer to the bank	You are required to transfer your monthly salary to Al Masraf & provide all the necessary documents for the same. In case of any change in employment or if you retire from employment, you must transfer your new salary/pension to Al Masraf until the Loan is fully and finally settled You can avail Auto Loan without transferring your monthly salary to Al Masraf & provide all the necessary documents for the same. You will be required to assign Direct Debit Authority – DDA to Al Masraf and based on which the installment will be debited from your bank account to repay the installment.	
Vehicle Mortgaged to Bank	The Auto/Vehicle will be mortgaged in favor of Al Masraf on the vehicle registration document (Mulkiya) issued by the traffic authorities and noted in the insurance policy. The Auto/Vehicle will remain mortgaged to the bank until the principal, accrued Interest, fees and charges are fully paid by you. The mortgage on Auto/Vehicle is a security on the loan, which means you cannot sell/mortgage to a third party.	

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Installment not paid on time	You shall pay the monthly installment on the due date, and if you fail to pay the monthly installment, your account will go into arrears. This may affect your credit rating, which may limit your ability to access financing in the future. Further, if you fail to pay three consecutive installments, the Agreement shall be terminated and the remaining installments shall become payable within a period of 15 days of receiving a written notice from the Bank, and also the Bank shall take applicable legal action against you to protect the bank's interest .
Delay penalty	The Bank is entitled to charge delayed payment penal interest charges (as per Bank's Schedule of Fees available on almasraf.ae) on the delayed amount on monthly basis until all payments due or installments are paid.
Schedule of Fees	This Loan is governed by the Schedule of Fees and Charges. In the event any of these fees are due to be paid, such fees should be paid by the customer. SCHEDULE OF CHARGES - Retail Banking (2023) (almasraf.ae) • Al Masraf publishes its Retail Banking Schedule of Fees & Charges in line with its commitment towards a transparent Customer relationship. • Customers are strongly encouraged to write to us on info@almasraf.ae in case of need for more clarity on any fees charged to the account.
Partial Settlement	The Bank will allow partial settlement during the loan term and you will be required to pay the applicable fees as mentioned in the Schedule of Fees & Charges ("SOF"), which is published on Al Masraf website (www.almasraf.ae). You will have the following options: a. Pay same installment and reduce the tenor OR b. Decrease your monthly installment and maintain the same tenor
Deferment or Postponement	Deferment is the delay or suspension of monthly installments. You are required to submit the request at our Branch and mention the reason for deferment and pay the applicable fee mentioned on our website SCHEDULE OF CHARGES - Retail Banking (2023) (almasraf.ae). The Bank will assess your request based on the eligibility and policy and accordingly, defer the installment as per your request. ***Warning: In the event of deferment, the Loan maturity period will be increased by the number of deferments availed by you during the Loan term.***
Guarantor/Collateral	The bank may require a guarantor or collateral in order to secure the credit facility. The Bank will inform the customer before signing the contract. The collateral will be released upon full repayment of the loan
Loan Reschedule	The Customer must inform the Bank in case your monthly income is reduced due to (Salary reduction from the employer, allowances withdrawn/retire from employment/loss of employment and turning into pensioner or for any other reason), Al Masraf will assist you to reschedule the existing Auto Loan for applicable tenor to maintain your monthly expenses vs income.
VAT	For the avoidance of doubt, VAT is additional to all amounts/fees mentioned in the Schedule of Fees are excluding VAT at the prevailing rate.
Further queries and/or clarifications	In case of queries, please send an email to info@almasraf.ae for more clarity before signing the application form and the Loan Agreement. You should provide copy of EID/Passport and Visa page (in case of an expatriate customer), UAE Mobile number and Account Number to facilitate a timely response.
Cooling- Off period	Prior to making any decision in relation to our Auto Loan products, you are requested to fully read and understand the Terms and Conditions of the KFS as well as Loan Agreement and the applicable Schedule of Fees • The "Cooling-Off period" is offered as part of our commitment to maintain a fair Banking relationship. • You have the option to waive the Cooling-Off period by signing the Cooling-Off Waiver Form while signing the Loan Agreement. • In case you decide not to waive the Cooling-Off period, the Bank will wait for 5 working days for you to reconsider your Loan request and will only proceed with the issuance/disbursal of the Loan amount at the end of 5 working days. • During this period you have the right to revoke the facility and request the Bank to cancel the loan. However the loan processing fees is not refundable. • After the expiry of Cooling-Off period, the Bank will release the applicable payments to other Bank/any other Authorities and disburse the loan. Accordingly, the Terms and Conditions of the Agreement will be applicable without any change throughout the term of the loan.

Privacy Note:

Our privacy commitments are fundamental to the way we run our business. Unless otherwise noted or governed by law, these commitments apply to everyone who has a relationship with us and those who have an intention to establish a relationship with us that includes customers, partners, and website visitors. Al Masraf is committed to providing you with the best overall experience in all of our products and services. We strive to strike the right balance between using your data to ensure the quality of those experiences and protecting your privacy. We have assessed all aspects of our business and optimized the amount of data we collect to find the right balance between data sharing and service. Our Privacy Notice is available on https://almasraf.ae/privacy-notice.

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Transparency Note:

As Al Masraf, we operate in full compliance with applicable laws and regulations governing data protection and privacy. Our commitment to transparency extends to ensuring that our practices align with legal requirements and industry standards. We prioritize your trust and confidence in Al Masraf and remain committed to transparency and accountability in all our interactions.

Additional Information:

- The Bank reserves the right to amend the Bank's General Terms and Conditions for Consumer Banking Products (including any relevant applications and documents) by notice to you as per applicable law. Visit https://almasraf.ae/terms-and-conditions.
- The Bank's General Terms and Conditions for Consumer Banking Products (including any relevant applications and documents) shall be read and implemented in line with this Key Facts Statement.
- The Bank may debit the Customer's account with any charges, expenses, or commission payable against the banking services rendered in accordance with the approved and announced banking charges and commissions, as notified to the Customer from time-to-time.
- For any inquiries or assistance, you can contact us at any of our branches, visit Al Masraf website, email us at info@almasraf.ae, or call us at 600 52 9999.
- Account Statements are sent monthly to the registered email address.
- Account transactions can be viewed using Al Masraf Online and Mobile banking.
- Transaction Alerts are provided to the mobile number registered with the bank.
- Al Masraf publishes its Retail Banking Schedule of Charges in line with its commitment to a transparent Customer relationship.
- Customers are strongly encouraged to write to us on info@almasraf.ae in case of need for more clarity on any fees charged to the Auto Loan or your account.
- The processing of your application leading to the disbursal of the loan may take up to 10 business days from the time Bank receives complete and accurate information and documentation.
- In case your loan is being taken over from another institution, the processing time may extend depending on receipt of all documentation from the other institution.
- All interest charges applicable are calculated from the date of loan disbursal. This will also apply in the case of a deferred First Payment Date.
- As a consequence of the delay caused by the Licensed Financial Institution, the Consumer retains the option to cancel the contract without cost or penalty before the funds are made available.
- All copies of signed documents will be provided without any charges.

How to complain to us?

- Please visit the website and fill in the Complaint form in the Contact us page: https://www.almasraf.ae/contact-us.
- Send an email to care@Almasraf.ae.
- Call us at 600529999 and select option 6 to connect with Complaint Management Team.

Warnings:

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- If you do not meet the monthly repayments on your loan, your account will go into arrears and incur late payment fee.
- When you miss repayments, this could affect your credit score and limit your ability to access loan/financing in the future.
- When you refinance your loan or avail installment deferments, it may take longer to pay off than your previous loan. It may also result in paying more interest.
- You may have to pay penalties if you pay off a loan/financing early.
- Failure to meet our Terms and Conditions before and during your relationship with us will result in consequences, including restriction, blockage, or closure of your bank account.

Declarations:

Customer hereby agrees to the above conditions and declares to the below by signing this KFS:

- Customer acknowledges to have received and understood the Key Facts Statement.
- Customer has been provided with the Privacy Policy Statement (Click here to refer https://almasraf.ae/privacy-notice).
- The Bank reserves the right to change terms and conditions of the Agreement at any time at its sole discretion by providing 60 days written notice to the Customer.
- Customer acknowledges that this facility may be withdrawn or terminated by the Bank at any time upon issuing a Sixty (60) days written notice.

Warning: The Bank recommends that you carefully read this application, Key Facts Statement, and the Bank's General Terms before submitting this application and contact the Bank should you have any questions.

☐	I/We agree to waive my right to a "cooling-off" period of 5 business days, so that my account can be immediately processed and understand that by waiving the cooling-off period the Terms and Conditions which apply to the accounts will be immediately binding on me/us.
☐	I/We acknowledge receiving the Key Facts Statement (KFS) and have also read and understood the KFS at the time of signing/accepting the application/offer document. https://almasraf.ae/key-fact-statements
☐	I/We acknowledge that the interest rate, fees and costs are subject to change which I/We will check within the Schedule of Charges and Key Facts Statement on a regular basis.
☐	I/We have read, understood, acknowledge and accept the Bank's General Terms available on its website (https://almasraf.ae/terms-and-conditions) as amended from time-to-time, which I/We expressly agree and accept to abide by, whether in Arabic or English language.

I/We acknowledge receipt and understanding of this Key Fact Statement. I/We also acknowledge that I/We understand the product/service features, pricing, benefits, risks, fees, and Consumer rights and obligations as detailed in the Key Fact Statement. I/We acknowledge and agree that the provision of any banking services shall be at Al Masraf's discretion and subject to all applicable terms and conditions of Al Masraf Banking Services General Terms and Conditions, which may be revised from time-to-time.

Customer/Borrower Name:_____	Date:_____
Customer/Borrower Signature:_____	

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