Personal Loans - Key Fact Statement Products

Description:

Personal Loan	A loan facility provided to customers to meeting the customer personal requirements. Loan is granted based on the customer's income.
	Loan tenor up to 48 months maximum with Minimum 6 months.
	Loan is granted against salary transfer letter from the employer.
	Reducing balance interest calculation.
	Full coverage insurance on the loan is required during the loan tenor.
	Interest starts accruing from the date of loan withdrawal and is calculated daily on the outstanding balance (365 days per year).
	Loan repayment through monthly installments.
	Early settlement option available (subject to fee).
	No compounded interest; interest is only calculated on the outstanding principal.
	Multiple repayment and rescheduling options are available as per bank policy.

Products Features:
- Competitive interest rates starts from 6.74%
- Convenient repayment tenure up to 4 years
- Loan amounts up to AED 1,000,000
- Loans buyout facility
- Grace Period of up to 90 days
- Quick loan application processing time
- Dedicated Sales Team - ready to serve you at your convenience
- 1st installment within 90 days.

Product Eligibility:
- UAE residents, subject to the bank's credit criteria and policy.
- Minimum of 23 Years for Expats and Locals
- Maximum of 65 Years at loan maturity for expatriates
- For UAE Nationals maximum age should not exceed retirement age at maturity
- Maximum 70 years for Medical Professional.
- Minimum Monthly Gross Income AED 15,000.00

Interest Rate:
- Interest is calculated on a reducing balance basis.
- Interest rate and APR are shown in the tables below.
- Interest begins to accrue from the date of loan withdrawal.

Fees & Charges:

Personal Loans	
Processing Fees (new, top-up)	1% of loan amount (Min AED 500 & Max AED 2500)
Late Payment fees	AED 200
Deferment of installment	AED 100 per deferment
Early/Partial/Final settlement from same bank/other bank loans/EOSB	1% of remaining balance / Partial payment (Max AED 10,000)
Loan Rescheduling fee	AED 250
Loan Cancellation fee	Free
Other (Loan Copy, Audit Confirmation, etc.)	AED 25
Processing Fees (new, top-up)	1% of loan amount (Min AED 500 & Max AED 2500)
Personal Loans Top Ups	Early settlement fee = Zero Processing fees will be on the incremental loan amount (Net amount) which is 1% with a minimum and maximum
Manager Cheque Fees (if requested)	AED 75

Certificates	
Liability Certificate	AED 50

* 5% VAT applies on all fees and charges mentioned above.

WARNING!

- 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.
- Any other accounts you have with the Bank may be used to set off against amounts owed under your personal loan.
- Failure to pay three consecutive or six non-consecutive installments without approval will result in the loan balance and all dues becoming immediately payable.
- If the borrower's employment is terminated, or salary is transferred elsewhere without bank approval (if salary assignment applies), the loan becomes due immediately.
- Providing incorrect information or invalid documents may result in the loan becoming immediately payable.
- Additional interest will accrue during any payment deferment or grace periods.
- Interest rates, fees, and charges are subject to change. Please check the Bank's website regularly.

Additional Information:

- Arab Bank reserves the right to amend its Terms and Conditions, with 60 days prior notice in accordance with applicable laws and regulations.
- End of service benefit will be credited to the loan account directly to settle the loan outstanding balance.
- In case of any monthly payment deferral, accrued interest will be deducted from the next payment.
- The monthly installment will first cover the interest accrued for that month, and the remaining amount will be applied to reduce the outstanding loan principal. Since the reducing balance interest method is used, the interest accrued each month will decrease as the loan balance declines. As a result, the portion of the monthly payment applied toward the outstanding principal will increase over time.
- Interest will begin to accrue from the date of withdrawal of the loan and shall be calculated on the daily outstanding loan balance based on actual number of days lapsed and 365 days per year, to be added to the Loan balance and paid with the monthly installments.
- Interest rate will be calculated on a reducing rate basis. The monthly interest will be calculated as the loan outstanding balance multiplied by the loan interest rate divided by 365 days multiplied by the number of days in that month. Customer can reschedule the outstanding loan in case of income change, without exceeding the allowed monthly installment as per Central Bank regulations and subject to Arab Bank's approval.
- Customer can settle the loan earlier than the repayment schedule, subject to an early settlement fee as per the standard tariff & charges published on Arab Bank's website.
- Customer will be charged an upfront processing fee and a Life Insurance Premium, as per the standard tariff & charges published on Arab Bank's website, which will be deducted from the disbursed loan amount.
- Customer will pay a penalty, as per the standard tariff & charges published on Arab Bank's website, if the payment is not made on time. Loan standard interest will apply on both the loan outstanding amount and the unsettled payment amount.
- Customer is eligible to postpone two monthly payments during a 12-months period after 6 months of disbursing the loan, subject to the bank's approval and applicable fees (if any).
- Arab Bank will hold the monthly loan payment once the salary is credited into the customer's account.
- Security cheques will not be released unless a formal written request and consent are received from the customer.
- Funds will be credited within up to 10 working days upon completion of all required documentation and conditions.
- For inquiries or assistance, visit any branch or the bank's website. For complaints, contact: ComplaintsUAE@Arabbank.ae.
- Arab Bank is licensed by the Central Bank of the UAE.
- The Cool-Off Period is a 5-business-day timeframe starting from the date you sign the application, during which you have the right to cancel the product without any obligation.
  Please note that the digital loan is not subject to a Cool-Off Period, and to proceed with your application, you are required to waive your right to this period. The bank will not be able to process your loan until the Cool-Off Period expires, unless you explicitly agree to waive this right.
- The customer is provided with life insurance coverage in exchange for a cash amount deducted from their account to cover the full loan period. If the customer repays the loan early, a portion of the amount will be refunded to them based on the number of remaining months.

- The Loan outstanding balance and all due installments, interests and any other fees and expenses become due and payable immediately without having to give any notification or in the event of occurrence of any of the listed below events:
  1. If the Borrower's employment is terminated for any reason.
  2. In case the loan is granted against salary assignment and the Borrower's monthly salary or any part of thereof is transferred to any other body without prior written approval from Arab Bank.
  3. If the Borrower breaches any undertakings or obligations arising from this Agreement.
  4. If the Borrower fails to pay three consecutive monthly installment or six nonconsecutive monthly installments without approval from Arab Bank.
  5. If, at any time, the Borrow submits to Arab Bank information or documents that are incorrect or any acknowledgment or undertaking that is invalid.
  6. If the Bank notices that there are grounds that could lead to the inability of the Borrower as permissible under Central Bank's prevailing regulations, to fulfill the obligations towards Arab Bank.
- To cancel within this period, you must give the Bank notice by sending an email to Info.ConsumerBanking@arabbank.ae
- You can contact the Bank for any enquiries, assistance at any of its branches or by visiting its website. In case of any complaints, you may refer to the customer complaints unit: ComplaintsUAE@Arabbank.ae

Example Table: Personal Loan Illustration

Loan Amount	250,000
Interest Rate (Annual Interest Rate) (Reducing)	6.99%
Tenor (months)	48
Monthly installment will be	5,975.00
Related Fees:	
Processing Fees 1%	2,500.00
Insurance fee 2%	5,000.00
Manager cheque fees (if cheque issuance is requested).	75.00
Early Settlement Fees* (if loan balance was AED 100,000.00 at the time of request).	2,000.00
Total interest to be paid at loan maturity	36,800.00
APR (based on above fees)	8.37%

*1% of the remaining loan balance at the time of submitting the request Example of monthly payment allocation

Example of monthly payment allocation

Monthly Installment	5,975.00
Interest for first 30 days	1,456.25
Payment toward principle	4,518.75

* Refer to the loan repayment schedule for full details of the payment allocation

The Bank does not charge compounded interest. Interest is calculated on the outstanding principal amount only, in accordance with applicable regulations.

Acknowledgement
I acknowledge receiving the Key Facts Statement of this product, and have also read and understood the product's key features, risks and fees at the time of signing the application/offer document.
I acknowledge that the interest rate, fees, and costs are subject to change which I will check on the Bank's website on a regular Basis.

Customer Name: ______________________ Employee Name: ______________________

Date: ______________________ Date: ______________________

Signature: ______________________ Signature Verified by: ______________________