

KEY FACTS: CAR FINANCE

Getting finance for the car customers have always wanted is now easier than ever....

Whether customers are looking to buy a new or pre-owned vehicle, our Car Finance solution is their instant path to competitive profit rates and flexible settlement terms.

Islamic structure of financing against Vehicle:

Individuals (Salaried or Self Employed) who are profited in buying a car but do not have money to pay the CAR dealer or seller in lump sum, Banks help these customers to buy their dream car by getting the finance and settle the amount in installments on monthly basis.

Murabaha: Car finance transaction is carried out based on the Sharia'a-compliant Murabaha structure, where the bank buys the Car and then sells to the customer on the basis of deferred payment at an agreed profit rate, in addition to a specific Sharia approved administrative fees that are agreed upon in a contract signed by the customer before carrying out the transaction. This contract also includes other terms and conditions related to the payment of the finance, after which the transaction is executed on the system and the Car will be transferred into customer's name.

Key Finance Features & Benefits:

- Minimum monthly income of **AED 5,000/-**
- Competitive profit rates; as low as **2.74%** flat p.a.
- Finance tenure, as long as up to **5 years**
- **Fast processing**, with quick approval turnaround time
- Cater all customer segments (**Salaried & Self Employed**)

Salaried Applicants:

- Individuals, employed in UAE with monthly salary being transferred to SIB or any other Bank in UAE
- **Finance Tenure:** up to 5 years
- **Minimum Salary:**

Employer Segment	UAE Nationals	Expatriates	
	STL & Non-STL	STL	Non-STL
Govt. Semi Govt. & Private TML Companies (A, B & C)	AED 5,000	AED 6,000	AED 6,000
Non TML *	AED 5,000	AED 8,000	AED 12,000

- **Employment Duration:**

Employer Type	Length of Service	
	UAE	GCC & Expats
Govt. & Semi-Govt.	Upon joining	3 Months
Private TML A, B & C	ONE Month	6 Months
Non-TML		

Finance Amount: STL Customers - All Nationalities

- Minimum: AED 20,000
- Maximum:
 1. New Cars: Upto AED 750,000
 2. Used Cars: Upto AED 500,000

Finance Amount: Non-STL Customers - All Nationalities

- Minimum: AED 20,000
- Maximum:
 1. New Cars: Upto AED 500,000
 2. Used Cars: Upto AED 300,000

Down Payment:

Down Payments – Salaried Applicants				
Car Type	UAE SIB STL	Expat. SIB STL	UAE Non-STL	Expat Non - STL
New & Used Car Cat. A	20%	20%	20%	20%
New & Used Car Cat. B	20%	25%	25%	30%
New & Used Car Cat. C	25%	30%	25%	40%

Self Employed Applicants:

- **Individuals, Minimum Income From Business in the UAE:**
 - o Average Net Profit: AED 10,000 per month or
 - o 40% of the minimum average monthly credit of AED 50,000

Length of Business:

1. **SIB Relationship** - UAE Nationals / GCC & Expatriates:
 - One Year in Business
2. **Non – SIB Relationship** - UAE Nationals / GCC & Expatriates:
 - Two Years in Business

Finance Amount:

1. **UAE Nationals**
 - a. Minimum: AED 20,000
 - b. Maximum: Max 500,000
2. **GCC & Expatriates**
 - Minimum: AED 20,000
 - Maximum: The maximum finance amount is as follows:-
 - a) Length of Business: 2 to 5 Years – Upto AED 200,000
 - b) Length of Business Above 5 Years – Upto AED 400,000

Down Payment:

Down Payments - Self-Employed			
Car Type	UAE-SIB Relationship	Expat.-SIB Relationship	UAE – Non -SIB Relationship
New & Used Car Cat. A	20%	20%	25%
New & Used Car Cat. B	30%	30%	30%
New & ** Used Car Cat. C	40%	40%	40%
*New Light Commercial Vehicle	25%	25%	30%
**Used Light Commercial Vehicle	30%	40%	N/A

Notes:

- * All other than Chinese brands. All New Chinese Commercial Vehicles minimum Down-payment 40%
- ** Chinese used Vehicles not allowed to finance

Key Basic Documentation Requirement: Salaried Applicants

- Application form duly signed by customer
- Valid UAE National ID and passport showing the residence visa
- Current dated Salary certificate or Salary Transfer letter
- Bank statement for 3 months showing 3 salaries
- New Car - Quotation from the Dealer OR Used / Old Car - Evaluation Report

Key Basic Documentation Requirement: Self Employed Applicants

- Application form duly signed by customer
- Valid UAE National ID and passport showing the residence visa
- Current dated Salary certificate or Salary Transfer letter
- Bank statement for 6 months Personal and / OR Business
- New Car - Quotation from the Dealer OR Used / Old Car - Evaluation Report
- Trade License
- Copy of Chamber of Commerce Registration
- Memorandum & Articles of Association

Current Profit Rates:

Car Finance Profit Rates – Flat p.a.			
Customer Segment	Salary	Profit Rates	
		New Car	Used Car
Salaried - SIB Salary Transferred	5- 9.99 K	3.25%	3.95%
	10 - 29.99 K	2.89%	3.39%
	Salary Above 30 K only	2.74%	3.24%
Salaried - SIB Non-Salary Transferred	5 - 9.99	3.50%	4.20%
	10 - 29.99	3.14%	3.64%
	Salary 30k and above	2.99%	3.49%
Self-employed – All segments	N/A	3.50%	4.50%

Fees and Charges:

Ser.	Service	Fees
1	Deal cancellation (after issuance of Local Purchase Order)	AED 100
2	Documentation Fee - Salaried customers	1.00% on the finance amount (min. AED 500, max. 2,000)
3	Documentation Fee - Self-employed customers	1.25% on the finance amount (min. AED 600)
4	Cheque return fee (any cheque, deposited with the bank to pay the monthly installment, returned unpaid)	AED 100
5	Installment postponement / deferment fee	AED 100
6	Rescheduling of liability	AED 250
7	Late payment fee (undertaking to donate clause)	AED 500
8	Liability letter / No liability letter	AED 60
9	Change of Installment Due Date	AED 200
10	Mortgage and mortgage release	AED 105 per transaction
11	Early settlement	1.00% of outstanding
12	Partial payment	1.00% of the partial payment amount
13	No Objection Certificate to Traffic Department	Free

Notes:

- Above mentioned fees and charges do not include the Value Added Tax (VAT)
- Any application or documentation fees that have been paid to Sharjah Islamic Bank are non-refundable
- Any Fees and Charges (whether demanded or not) will be collected from any of customer account with the Bank
- Details of our Fees and Charges are set out on the Schedule of Services and Tariffs which is available on our website: www.SIB.ae and we will also inform customers of any charge we make if they request any service
- We can change the amount of our Fees and Charges and introduce new or different Fees and Charges to reflect the cost of the work or service involved or for any other reason whatsoever. Customer will therefore need to ensure they refer to the latest Schedule of Services and Tariffs. Where we change the amount of our Fees and Charges, we will provide customers with notice as required by law and regulation
- The customer shall have the right to have a Cooling-Off period, of 5 complete business days commencing from the time of signing the contract for the relevant finance, hence if the customer opted to terminate the contract within the cooling off period, the bank has to refund to it any related fees and direct costs already incurred by the customer. However, if the customer, within the cooling off period, disposed of/acted on the subject of the contract in any manner, its right under the cooling off period will cease. The customer may also waive its right in the cooling off period by its written consent. For more information, please review the relevant form issued along with the finance approval

Calculation and Charging of profit:

- Profit is payable monthly or as approved by the Bank.
- Profit is calculated on the basis of a 360 days calendar year and accrues daily, however sale price agreed upon in the contract is not be subject to any change.

Monthly Payments:

- Customer must make the Monthly Payments on the dates they are due until they have paid off the whole of the Car agreed Sale Price (cost + profit).
- The finance amount, will be calculated as per the below illustrative example:
Example: Finance amount of **AED 200,000, Tenure of 5 years, and Profit rate of 2.74% flat p.a.**, finance details will be as follows:

- Documentation Fee : AED 2,100 (inclusive of VAT)
- Total Profit amount : AED 27,795.78
- **Monthly Installment : AED 3,796.60**

Note: Above outlined finance details in the example are for illustrative purpose only and may vary based on customer type, segment, car type and any other factor the Bank deem suitable for as per Bank's policy

Finance Termination Amount:

Where the Contract is terminated/early settled during the contract term, the termination amount shall be the aggregate of the following:

- a) Principal outstanding balance amount
- b) Unpaid profit amount as of termination date
- c) Any amount representing the costs of insurance (including any insurance undertaken on behalf of the customer in accordance with the terms of the contract) and taxes incurred by the Bank
- d) Early settlement amount calculated at a percentage of the outstanding balance amount set out in the above Fees and charges section

- The finance termination/early settlement amount, will be calculated as per the below illustrative example:

Example: Finance outstanding amount of AED 139,533.10 with the settlement date of after 14 days:

- Finance outstanding amount : AED 139,533.10
- Accrued Un-paid Profit amount : AED 2,190.07
- Early Settlement Fee : AED 1,465.10 (inclusive of VAT)
- **Total Amount to Settle : AED 143,188.27**

Note: Above outlined finance details in the example are for illustrative purpose only and may vary based on the settlement request, settlement date, customer type and any other factor the Bank deem suitable for as per Bank's policy

Warning: If you do not keep up your settlement/payments on time then:

- 1- You may lose your car, being mortgaged against your liability
- 2- Your account will go into arrears which may affect your credit rating and may limit your ability to access/obtain financing in the future



Disclaimers:

- This document is provided for information and illustration purpose only based on customer request. All finances are granted at sole discretion of SIB Standard Terms & Conditions. SIB reserves the right to amend any of the above outlined key facts without any prior notice
- We may also at our absolute discretion vary any of the terms and conditions of the agreement at any time by giving you 30 days prior notice. We may give notice of variations by any means available, including but not limited to email and secure e-message service and by publication on our website (www.SIB.ae)
- This product has been approved by the Sharjah Islamic Bank's Internal Sharia Supervision Committee

By signing this document, I/We acknowledge that I/We have read, understand, and agree to all of the above terms and product facts outlined which have been explained to me/us

First Applicant:	Second Applicant:
Name: _____	Name: _____
Account No: _____	Account No: _____
Signature: _____	Signature: _____
Date: _____	Date: _____