

DISCLOSURE STATEMENT – REVOLVING OVERDRAFTS (ROD)

Disclosure Statement – Revolving Overdrafts (ROD)

Important Notice: It is important that you read this disclosure statement carefully. You should consider seeking independent legal advice. It is particularly important for you to understand that once we have advanced the ROD to you, you will be obligated to make the payments set out in the Revolving Overdraft application form (Application) even if your circumstances change. **If you default on the settlement of ROD, we may need to enforce our rights which could result in us taking legal action against you.**

We are Invest Bank P.S.C., a commercial bank regulated and licenced by the Central bank of the UAE

ROD DETAILS

The ROD details including the ROD limit amount, interest rate and duration set out in the Application. In addition, prior to the setting of the ROD Limit we will provide you with the ROD Product details which will give you information on the ROD, including the Interest rate, tenure and the total payments required from you. You should read the Application and the Product details (when provided) carefully to ensure you understand them and to ensure you will be able to make the required payments.

Please be aware of the following:

- 1. Payments:** The ROD facility does not have a fixed monthly payment. However, you are required to ensure that interest billed is serviced from your salary credit or other deposits to your account. The ROD, if not renewed on the limit expiry date, becomes due on the next day after maturity date. To avoid this, the bank will remind you 60 days prior to maturity to submit a renewal request if you decide to continue with the facility.
- 2. Interest:** Interest will be charged on the ROD utilized amount from the first drawdown date and continue until the outstanding is paid in full. The total amount of interest billed monthly depends on the level of utilization of the ROD limit. The lesser you use from the limit, the lesser the interest billed. This assumes no changes to the interest rate or tenure. We do not charge interest on interest (Compounded Interest).
- 3. Interest Rate:** The Interest rate is set out in the Application. It is a fixed interest rate with accrued interest payable monthly.
- 4. Calculating Interest:** The interest on the ROD is fixed, billed to your account on the last day of the month and is calculated on the daily negative balance in your account. The end of day negative balance, if any, is multiplied by the interest rate and then divided by 365 to arrive at the daily interest to be charged on the used amount. At the end of the month, the interest charged on days where the balances were negative, are added up to arrive at the monthly interest on the utilized amounts. The sum is then billed to your account. The Interest rate is charged on the utilized amounts of the ROD limit only. We do not charge compounded interest (interest on interest).
- 5. Prepayment and Early Settlements:** During the life of the ROD, you have the liberty to prematurely cancel the ROD limit and settle all the utilized amounts. However, you may be required to pay a fee as set out in the Service & Price Guide available on our website www.investbank.ae. The applicable fee, if any, is fixed and has no relation to the limit or the outstanding utilization.
- 6. Default:** in case the ROD limit is cancelled or matured with no renewal interest from your side, the Bank will levy a penalty for not settling the outstanding before limit expiry/cancelation as applicable and as set out in Bank's Service & Price Guide available on our website www.investbank.ae.
- 7. Fees:** The due diligence, documentation and processing fees set out in the Application are payable by you on the date we make the ROD Limit available to you and is automatically deducted from your account. In addition, there may be standard fees which apply to the ROD as prescribed in our Service & Price Guide available on our website www.investbank.ae.
- 8. Obligations:** It is a condition of the ROD that your salary is deposited with us. If, for a period of 3 consecutive months, the salary credited to your salary account is less than 60% of the actual salary, or if not received at all for 2 consecutive months, you will be obliged to pay 2% per annum above the rate of Interest originally agreed until the full payment of the ROD outstanding balance.

Additionally, it is a condition that your end of service payment, if you decide to resign, change, are terminated from your employment, or if your employer decides to pay you your end of service benefit for any other reason, is assigned to us against the ROD facility. Your compliance to this condition is mandatory.

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9. Insurance: We will arrange a life insurance through our existing arrangement with our insurance providers. You will have an option to choose one of these approved providers' information available on the Application. There is a one-time contribution payable by you as set out in the Application. Any insurance proceeds claimed by the bank as per the terms and conditions will be used first to pay the facility outstanding in full.

10. Conflicts: If there is any conflict between this disclosure statement and the Application, the provisions of this disclosure statement will prevail.

OUR RIGHT TO AMEND

As mentioned above, we at our sole discretion reserve the right to change the fees and/or amend the terms and conditions by providing you with 60 days' notice in writing in accordance with the applicable law. If the Bank increases the interest rate on your ROD, it will be after a 30 days' notice to you through any of the adequate communication channels.

YOUR RIGHT TO CANCEL

You are entitled to cancel the ROD application within 5 business days of obtaining the approval and signing the Application and we will not set up the ROD limit until this period expires, unless you waive this right by signing the Cooling-off Period Waiver form as part of the documentation. To cancel your application, you must notify us in writing. If you do cancel, you will need to pay us the due diligence, documentation and processing fees stated in the Application.

COMPLAINTS

If you have a problem, concern, or complaint about any part of our services in respect to this Loan, please inform the staff member you are dealing with or their manager and we will try to resolve your problem, concern, or complaint. If this does not resolve your issue, you can initiate a complaint by writing to us on wecare@investbank.ae or calling us on 600 544404.

I/We hereby confirm that I/We have been provided with the Disclosure Statement during my application for the Personal Loan and have read and understood this Disclosure Statement.

NAME OF APPLICANT _____

SIGNATURE

DATE