

**Important Notice:** This document sets out key indicative information about the Loan. You should read it thoroughly. If you do not understand any item in this document, you should seek independent advice. This is not a legal contract. It does not bind you to take, or us to provide, the Loan. The Loan will be documented in an application which will include all the terms and conditions applicable to the Loan.

We are **Invest Bank P.S.C. (The Bank)**, a commercial bank regulated and licensed by the Central Bank of UAE. You may reach us in writing on our postal address or by email on the addresses mentioned below. You can also contact us via our Customer Experience telephone line mentioned along with the addresses.

**Address:** P.O.Box 1885, Sharjah, UAE  
**Customer Experience:** 600 544404  
**Email:** [wecare@investbank.ae](mailto:wecare@investbank.ae)

**1. Description of the Loan**

The Loan is a personal loan provided to customers who are residents of the United Arab Emirates to be repaid in equal and fixed monthly installments over an agreed term not exceeding limits prescribed in Central bank regulations. The Loan is offered as a commercial facility and for a worthwhile personal purpose

**2. Product Key Details:**

- It does not normally require a collateral, but Life Insurance and Salary Transfer to the Bank are mandatory. An undated, but filled and signed security cheque equivalent to 120% of the Loan amount is also taken along with a Promissory Note to repay the dues to the Bank
- Minimum Length of Service in a company or minimum years in business may apply
- Debt consolidation of all external liabilities is available to all eligible customers
- Loan amounts of up to 20 x salary

**3. Requirements and Eligibility:**

In order to apply for the Loan, you must: (a) be at least 21 years old; (b) be a UAE National or an expatriate legitimately working and residing in the UAE; (c) have a minimum Al Etihad Credit Bureau (AECB) score of 541; (d) have a minimum monthly salary of AED 5,000; (e) be an employee of one of the Bank's approved employers; (f) transfer your monthly salary and assign your End of Service Benefits, where applicable, to your account with the Bank until full repayment of the loan.

**4. Processing Time:**

Your loan will be processed within 10 business days of signing the Loan application and submission of all required documents to the Bank. However, the disbursement of the Loan, if approved, may be deferred until the Bank receives the Salary Transfer Letter from your employer and/or the first salary credit to your account with Invest Bank. Upon satisfactory completion of the documentation and meeting the facility approval conditions, the funds will be disbursed to your account within 10 business days from the time of signing the Loan contract.

**5. Interest Rate:**

The interest rate on the loan is fixed, payable monthly and is calculated on the principal outstanding each month based on the exact number of days in that month as per the formula below:

$$\text{(Principal Outstanding x Rate of Interest x No. of days in the month) / 365}$$

The Expected Interest rate depends on your income and starts at 4.99% - 19.99% depending on your salary and relationship with Invest Bank (The lowest rate will be given for salaries of AED 50,000 and above). Furthermore, promotional interest rates may be offered occasionally and on case to case basis. As and when such promotional interest rates are undertaken by the Bank, the same would be found on our website under the Personal Loans tab and advised to the customer at time of applying for the facility.

<b>Illustration on Interest Calculation*</b>	
<b>Customer request</b>	
Loan request = AED 75,000/-	Reducing Interest Rate = 5.99% p.a
Loan tenor = 48 months	Total Interest Payable = 9,496.02

**Booking Date: 04/10/2022**  
**1<sup>st</sup> Loan Installment = 1,756.28**

**1st Installment date: 01/11/2022**  
**Recurring Monthly Installment = 1,760.42**

**Monthly Interest Calculation**

Since the first installment falls 28 days after the booking date, the 1<sup>st</sup> installment will be lesser than the recurring installments. The interest for the 1<sup>st</sup> month will be  $(\text{Principal} * \text{interest rate} * \text{no. of days})/365 = (75,000 * 5.99\% * 28)/365 = 344.63$ . Accordingly, the principal amount portion is  $1,756.28 - 344.63 = 1,411.65$ . So next month principal amount will be  $75,000 - 1,411.65 = 73,588.35$  and then the above calculation is repeated month on month till the loan final installment.

*\* The calculation does not assume any deferrals or delay in repayment which will impact the total interest paid on the loan*

The Interest rate is charged on the reducing balance of your loan. We do not charge compounded interest (interest on interest). Please note that the payment hierarchy under the Loan is as follow:

1. Principal component of installemnts/overdues
2. Interest component of installemnt/overdue
3. Late Payment interest
4. All other outstandig charges

**Warnings:**

- If you pay off the Loan before the due date, you will pay prepayment charges at the rates described below (article 7 – Early Settlement charges)
- The General Terms and Conditions contained in the Consumer Terms governing loans provided by us are subject to change from time to time. We will inform customers of any changes with the required notice period and will publish the revised Terms and Conditions on our website and other platforms for reference.
- If your income decreases, you will still be liable for the loan amount outstanding.
- Your End of Service Benefit may be blocked by the Bank and used to reduce the amounts owing. You must contact us to make arrangements if you are changing jobs.
- If you are late in payment or fail to make the payment on time, you will pay default charges and penal interest at the rates mentioned below (Article 6 –Other fees /charges)
- If you are late in payment or fail to make a payment on the due date, you will be a defaulter and the Bank will have the right, among other things, to:
  - Cancel the Loan and demand full repayment immediatly
  - Report the default to appropriate regulatory authorities, including Central Bank of UAE, Al Etihad Credit Bureau, Collection agencies and other Credit rating agencies, which may impact your credit rating negatively and limit your future borrowing ability.
  - Undertake all possible means of recoveries, including, but not limited to, bring legal proceedings against you
  - Use any assigned collateral, including the securty cheque, to claim the Bank’s money from you.

**6. Fees & Charges**

<b>Processing Fees (one Time Payment)</b>	<b>1% of the Loan amount is payable at the time of disbursal (Minimum AED 500/- and maximum AED 2,500/-)</b>
<b>Other Fees and Charges</b>	<ul style="list-style-type: none"> <li>• Charges for late payment is AED 200 per delay in instalment payable until instalment is paid.</li> <li>• Insurance charges of 1% of the Loan amount is payable at the time of disbursement and provides a life cover on the Loan outstanding.</li> <li>• Charges for issuance of Liability/No Liability certificates are AED 60/- each</li> </ul>
<b>Early settlement Charges</b>	<p>Early Settlement charges, for full or partial settlements, are 1% of loan outstanding / amount to be paid or AED 10,000, whichever is lower.</p> <p>For example: If your loan amount outstanding is AED 1,100,000/- and you decide:</p> <ol style="list-style-type: none"> <li>1. To fully settle the outstanding, then: <math>1,100,000 * 1\% = 11,000</math>. However, the bank will only charge AED 10,000 which the Early Settlement Cap.</li> <li>2. To partially settle AED 250,000, then: <math>250,000 * 1\% = 2,500</math>.</li> </ol>

In addition, there may be other standards fees which apply to your dealings with the Bank. Please refer to our list of fees and charges available through this URL [Invest Bank :: Schedule of Charges - Schedule Of Tariff For Individual Customers](#).

All Fees and charges are subject to additional 5% VAT as per the applicable law of the UAE

#### 7. Risks & Limitations

- You must understand that you should not borrow more than you can afford to repay. What you can afford to repay will be impacted by the repayments and interest that you must pay. This can change if your earnings change or your commitments change or if the interest rates increase.
- You will be allowed to request up to maximum of 2 instalments deferrals annually. The bank, at its own discretion, may offer an occasional deferment of instalment during festive seasons (i.e. Ramadhan, Eid...etc.), and will be executed subject to informing you of the initiative at least 15 days in advance. The fees for deferrals are as set in the Bank's schedule of charges.
- Instalment deferrals will not be given to customers with irregular repayments or if there are 4 or more returned cheques / DDAs in the last 12 month or if the deferral request from customer does not meet the internal criteria of the Bank.
- If the salary credited to your account is less than 50% of the declared salary for 3 consecutive months, or if the salary is not credited to your account for 2 consecutive months, you will be obliged to pay 2% per annum above the interest rate originally agreed until completion/full settlement of the Loan.

#### 8. Customer Obligations:

- To ensure that your Loan payments are made promptly on the due date without any delay
- To inform the bank of any mis-selling or issues that you face before applying for the loan, during the application or after availing the Loan from the Bank
- To review this documents and all other documents related to this Loan, including the terms and conditions, before you sign-off any of these documents
- To regularly check the Bank's website ([www.investbank.ae](http://www.investbank.ae)) for updates
- To notify the Bank in writing if there is a change in your employment, income details, contact details, residential status, identification details, other financial details, or any other material information as declared in the application form and/or other declarations signed by you.
- To notify the bank in writing if you wish to prepay your loan if full or partially before its maturity.
- To comply with all terms and conditions of the bank

#### 9. Key Terms & Conditions

- The Bank at its sole discretion reserves the right to amend the features, fees, charges, terms & conditions of the Loan on an advance 60 days' notice to you
- The bank at its sole discretion reserves the right to amend the interest rate on the loan on an advance 30 days' notice to you

#### 10. Cooling-off Period

You are entitled to cancel the Loan within 5 business days of signing the facility documents/Application and the Bank will not disburse the Loan until this period expires. To take advantage of the Cooling-off period and cancel the Loan, you must intimate the Bank in writing, and if you do cancel, you will need to pay the Bank the fees disclosed in the facility/application documents. You can waive the right to the Cooling-off period in writing to enable the Bank to disburse the Loan to your account immediately

For feedback or complaints, email us on [wecare@investbank.ae](mailto:wecare@investbank.ae) or call our Customer Experience line 600 544404

I/We hereby confirm that I/We have been provided with Key Fact Statement prior to my application for the Loan and have read and understood this Key Fact Statement

Name of Applicant

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Signature

Date

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