# KEY FACTS STATEMENT
## NBF INSTALLMENT PAYMENT AGREEMENT
### THIS IS NOT AN OFFER OF CREDIT OR CONTRACT

**Important:** This document provides a high-level summary of the key features, costs, obligations and risks of the product and serves as an acknowledgement of receipt. It is not intended to create, amend or replace any legal rights or obligations between the parties. The Customer should carefully review the Bank's General Terms and Conditions, product-specific Terms and Conditions, facility letters and other applicable contractual documents before proceeding. In the event of any inconsistency, the applicable contractual documents shall prevail, subject to applicable laws and regulations.

## 1. Product Overview

An Installment Payment Agreement (IPA) enables eligible UAE incorporated technology businesses to finance approved purchases of technology products and services from approved suppliers. Subject to satisfaction of the applicable conditions, including customer acceptance of the goods or services, the Bank may settle the supplier's invoice and finance the purchase. The Customer repays the financed amount together with applicable financing charges in agreed installments over the financing tenor. Each financing request remains subject to eligibility criteria, available limits and the Bank's approval.

## 2. Eligibility

To be eligible for this Installment Payment Agreement (IPA) facility, the customer should generally meet the following criteria:

- Well-established UAE-incorporated technology-sector business holding valid UAE trade license.
- Entity should have an active operating account with the Bank.
- Demonstrate satisfactory financial strength and creditworthiness acceptable to the Bank.
- Comply with the Bank's onboarding and KYC / AML requirements.
- Have genuine commercial trade transactions supported by valid supplier invoices and underlying contracts or purchase orders.
- Suppliers whose invoices are financed must be acceptable to the Bank and comply with applicable KYC/AML requirements.
- Provide all documents necessary for credit assessment including latest 3 years audited financial statements, in-house financial, ageing reports, AECB consent, external credit reports (where applicable), bank statements, VAT/Corporate Tax returns and any other supporting information as requested by the Bank.
- Comply with all applicable UAE laws and regulations.

## 3. Target Customers

This product is designed for software and hardware distributors, IT resellers, System integrators, Telecom equipment distributors, and other technology-sector business entities acceptable to the Bank.

## 4. Suitability

NBF will assess the suitability of the Installment Payment Agreement having regard to the Customer's specific needs and circumstances and the nature and scale of its business.

## 5. Product Features

The Installment Payment Agreement (IPA) facility offers the following features:

- Financing for approved technology purchases and all eligible purchase transactions.
- Direct payment by the Bank to the supplier.
- Repayment through agreed monthly or quarterly Installments as agreed in the Facility Letter and Installment Payment Agreement.
- Financing available in both AED and USD.
- The tenor of each financed purchase transaction shall not exceed 360 days.
- Early settlement may be subject to fees, charges or conditions specified in the Facility Letter.
- Flexible financing linked to actual trade transactions.
- The facility may be structured as revolving or non-revolving availability as specified in the facility letter. The facility is uncommitted and the Bank retains discretion to approve or decline individual financing requests.
- Facility limits and individual transaction limits are approved by the Bank.
- Financing may be supported by credit insurance obtained for the benefit of the Bank to mitigate the risk of customer non-payment (where applicable). The existence of such insurance does not reduce or extinguish the Customer's obligation to repay all amounts due under the Installment Payment Agreement.
- Pricing is disclosed in the applicable facility documentation.

## 6. Processing Time

Your Finance facility will be processed within 14 business days of signing the Facility Documents and submission of all required documents in a form acceptable to the Bank.

Bank may request additional information or documentation to complete its assessment.

## 7. Fees and Charges

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| Interest rate | Linked to benchmark rate – EIBOR or SOFR + interest margin with a minimum floor rate. Interest margin and floor rate as stated in customer-specific Facility Letter / related documentation. Changes in the applicable benchmark rate may result in a change to the financing rate and may increase or decrease the Customer's periodic instalments and/or total financing cost, subject to the terms of the Facility Letter.<br><br>**Illustrative Example (for explanation purposes only):**<br><br>If the applicable benchmark rate is 3.86% p.a. viz. 3 month EIBOR, the agreed interest margin is 4.00% p.a., and the floor rate is 7.00% p.a., the applicable financing rate would be 7.86% p.a. (3.86% + 4.00%).<br><br>If the benchmark rate falls to 2.75% p.a., the calculated rate would be 6.75% p.a. (2.75% + 4.00%). However, because the facility has a 7.00% floor rate, the applicable financing rate would remain 7.00% p.a.<br><br>This is an illustration only. The actual benchmark rate, interest margin and floor rate applicable to the Customer will be specified in the Facility Letter and related facility documentation. |
| Arrangement fee | Up to 2% of the approved facility amount plus VAT as specified in the Facility Letter. |
| Documentation fee | AED 6,000 + VAT |
| Early settlement fee | As specified in the Facility Letter. |
| Past-due interest | As specified in the Facility Letter. |
| Other fees | As per the Bank's Schedule of Charges published on the website. |

Correspondent Bank / Third-Party Charges: Any applicable correspondent bank, supplier bank or other third-party charges will be borne by the Customer where applicable.

## 8. Security Requirements

Depending on the Bank's credit assessment, security may include: -

- Personal guarantees;
- Corporate guarantees;
- Parent company guarantees;
- Cash collateral;
- Assignment of receivables arising from the onward sale of products or services financed under the facility;
- Pledges over assets; and
- Other securities acceptable to the Bank.

## 9. Customer Obligations

- Provide accurate, complete and up-to-date financial, ownership, KYC, tax, supplier, transaction and other information reasonably requested by the Bank for onboarding, credit assessment, ongoing credit monitoring, risk management and regulatory compliance purposes, and promptly notify the Bank of any material changes throughout the life of the facility.
- Submit only purchase transactions arising from genuine, completed supplies or services that have been checked under the Customer's internal controls.
- Do not submit a purchase transaction that is disputed, cancelled, duplicated, financed elsewhere, subject to a known credit note, or not legally payable.
- Provide supporting purchase orders, contracts, delivery evidence, acceptance records and invoice ledgers when reasonably requested.
- Comply with applicable laws, sanctions, AML/CFT obligations, anti-bribery requirements and the facility documents.

## 10. Customer Rights

- Receive the reason for rejection of an application in writing, except where the reason relates to Financial Crime risks or disclosure is prohibited by applicable laws or regulations.
- Receive clear and timely information on the product features, applicable fees, risks, terms and conditions before proceeding.
- Receive applicable contractual and transaction documentation.
- Submit a complaint through the Bank's complaint channels without charge and receive information on the applicable escalation process.
- Receive prior notice of material changes to applicable terms and conditions, including fees, in accordance with applicable regulatory requirements.

## 11. Important Warnings

- **Facility Nature:** The facility is an uncommitted credit facility. The Bank is under no obligation to finance every eligible purchase transaction and may approve or decline individual financing requests in accordance with its policies.
- **Payment obligation:** Customer remains liable to repay the Bank after the Bank has paid the supplier, subject to the financing documents. Supplier disputes or warranty issues may not automatically suspend repayment obligations.
- **Technology Obsolescence Risk:** Technology products may depreciate or become obsolete during the financing tenor. Repayment obligations remain regardless of changes in product value.
- **Compliance & Correspondent Bank scrutiny:** Foreign currency transactions will be subject to US, UK, EU compliance screening and AML checks. The actual time to complete a transaction may differ from estimates due to increased scrutiny of transactions by the correspondent bank/financial institution providing financial services to the beneficiary of remittances. Financing transactions may be delayed, rejected or suspended due to sanctions, regulatory restrictions, legal requirements or force majeure events.
- **Currency Risk:** Where the invoice currency differs from the Customer's repayment currency, exchange-rate fluctuations may increase the Customer's effective repayment cost.
- **Invoice and fraud risk:** Duplicate, fictitious, altered or previously financed invoices may lead to suspension, cancellation, reimbursement claims, default and legal action. The Customer must maintain effective invoice approval and fraud controls.
- **Late-payment consequences:** Failure to make payments when due may result in late payment charges and/or past due interest, adversely impact the customer's credit profile and credit bureau records, and lead to the classification of the facility as delinquent. In the event of continued default, the Bank may initiate recovery proceedings, enforce any security, guarantees or collateral provided, and recover any associated legal and enforcement costs.
- **Benchmark / rate risk:** Where pricing is variable, finance costs may rise when the applicable benchmark increases.
- **Operational and cyber risk:** Incorrect invoice data, authorized-user misuse, compromised email or changed supplier bank details can cause loss or delay. Changes to payment instructions should be independently verified.
- **Termination risk:** The Bank may reduce, suspend or cancel the limits in accordance with the documents, including following credit deterioration, breach, sanctions concerns, fraud indicators or a material adverse change.
- **Credit Insurance:** Financing may be dependent on the continued validity of the credit insurance policy obtained for the benefit of the Bank. If the policy is cancelled, expires, coverage is reduced, or claim is declined by the Insurer, the Bank may suspend further financing, reduce available limits, require additional security, or seek repayment in accordance with the facility agreement.

## 12. Cooling-off Period

You may cancel the Financing Facility within 5 business days of signing the Facility Offer Letter. The Financing Facility will not be made available until the cooling-off period expires. If you cancel during this period, applicable fees and charges may apply.

You may waive the cooling-off period by providing written instructions to the Bank, allowing the Financing Facility to be made available immediately.

## 13. Customer Support

Do not hesitate to reach out to National Bank of Fujairah through the following channels:

Call Centre: **600565551**
Address: Your nearest NBF Branch, please **click here** for the location

We will seek to address your complaint within two clear business days of receipt and advise you if any delay occurs in providing our final response.

Full details of how we address your complaints are contained in our Customer Charter published on our website.

## 14. Changes to Terms and Conditions

NBF may amend the applicable terms, conditions, pricing or fees of the Product where permitted by applicable laws and regulations. Where required, NBF will provide the Customer with at least 60 calendar days' prior written notice before such changes take effect.

## 15. Customer Acknowledgement

We acknowledge that we have received, read and understood this Key Facts Statement prior to entering into the Installment Payment Agreement (IPA) with National Bank of Fujairah PJSC.

| Customer Name | Date |
|---|---|
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| **Company Stamp** | **Customer Signature** |
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