

Car Loan Terms & Conditions

In addition to the terms, if any, set forth in the completed Car/Auto Loan application form and/or approval letter/ Auto Financing Agreement, the following terms and conditions are applicable to Car Loans (the "Car Loan").

In consideration of Mashreqbank psc making Car Loan(s), on the Client(s) request, the Client(s) hereby acknowledges, accepts and understands the following:

1. In case of any mismatch of information on the application form with information provided on certified copies of the original documents, the information on the certified copies of the original document will be taken by the Bank as true and accurate, and will supersede the information on the application form for the purpose of opening the account, and updating the Banks official records.
2. In consideration of Mashreq Bank agreeing to make available to Mashreqbank psc would disburse the proceeds of Car Loan directly or debit the Client(s) account for the amount of the Car Loan so disbursed, to the automobile dealer or seller of the Vehicle. In case of refinance, the proceeds of the loan shall be credited to the Client(s) account with Mashreqbank psc.
3. The Client(s) confirms that no representation of any kind has been made by Mashreqbank psc regarding the Vehicle (as described on the Loan application form) and that the Vehicle has been inspected and found in good working order and condition by him/her.
4. The Client(s) undertakes from the beginning of the Car Loan:
 - To register a first chattel mortgage on the Vehicle in favor of Mashreqbank psc;
 - Not to create, register, or allow any other lien, encumbrances or mortgage to be created on the Vehicle;
 - To keep comprehensive insurance coverage on the Vehicle from an insurance company acceptable to Mashreqbank psc so long as the Client(s) owes money to Mashreqbank psc under this Agreement;
 - To advise Mashreqbank psc of any accident resulting in the loss of Vehicle within seven (7) days of the accident;
 - To keep the Vehicle in good repair and condition;
 - To apply any money received in the event of an accident of the Vehicle to its repair or, in the event of its total loss, to pay any sum of money due under this agreement;
 - To keep the registration of the Vehicle in his/her name and not change the registration of the Vehicle;
 - Not to take the Vehicle out of United Arab Emirates without the prior written consent of Mashreqbank psc;
 - Not to transfer the vehicle registration within United Arab Emirates without the prior written consent of Mashreqbank psc;
 - Not to do material changes / modifications to the Vehicle without the prior written consent of Mashreqbank psc;

- Not to transfer any rights of ownership without the prior written approval of Mashreqbank psc;
 - To use the Vehicle only for its normal intended use; and
 - To keep the Visa / Trade License / Emirates ID / other relevant identification documentation issued by regulator, regularly updated with Mashreqbank psc within seven days of receipt of such document / identity.
 - To advise Mashreqbank psc within seven days of any change in address or employment.
5. For purposes of a Car Loan, the Total Amount will include, if so provided in the completed application form, Vehicle Insurance premiums (as defined in the completed application form). In addition, for purposes of a Car Loan, the term Principal Amount shall be the amount listed in the completed application form under the entry "Total Finance Amount".
6. The Client(s) will be in default in respect of a Car Loan if:
- Any security provided by the Client(s) for the Car Loan ceases to be valid or Mashreqbank psc has notice or reason to believe that any security may become invalid; The Vehicle is damaged such that it is a total loss or otherwise becomes permanently inoperable;
 - The Client(s) is in default in respect of any other loan / fees / charges from Mashreqbank psc.
 - Monthly salary not received in any calendar month
 - The Borrower does not update revised contact details/ latest valid KYC documents
 - The Borrower leaves the UAE without having settled the loan in full
7. In the event of a default under a Car Loan, in addition to its other rights and remedies under these Terms and Conditions and otherwise, Mashreqbank psc shall have the right to repossess the Vehicle, to sell it at the available market price, and to set-off the sales price against sums due from the Client(s), or apply the proceeds of any such sale in the repayment of any Loan or amount due to from the Client(s) to Mashreqbank psc as Mashreqbank psc may see fit; in order to give effect to this right, the Client(s) hereby appoints Mashreqbank psc as the Client(s) attorney-in-fact with express authority to seize, transfer and sell the Vehicle at the cost and expense of the Client(s) and demand any balance amount due under the Car Loan and these Terms and Conditions after application of the sale proceeds of the Vehicle. Mashreqbank psc will have the right to purchase the Vehicle for its own account.
8. If the Borrower is in default Mashreq shall have the right to enforce any security provided to Mashreq in respect of Loans or any other loan between the Borrower and Mashreq (this includes set off against any available funds including enforcement of security, provided for other Mashreq loans, over assets of the Borrower)
9. The bank is authorized to disclose and share Consumer's Information to any Third Party including a Credit Information Agency/ and any authorized debt collection agency/agent. This is to enable the authorized

debt collection agency/agent to follow up with the customer/ any appropriate third party duly authorized by the customer.

10. Upon payment of all sums of money due under this Agreement, and provided the Client(s) is not in default under any other agreement with Mashreqbank psc, Mashreqbank psc shall upon the Client(s) request issue its letter of no-objection to the de-registration of the first chattel mortgage on the Vehicle.
11. It is the Client(s) sole obligation to register and maintain the Vehicle and to pay all taxes, fees, fines, registration fees, maintenance costs, vehicle insurance premiums and other expenses related thereto.
12. The Client(s) will submit to Mashreqbank psc the insurance policy or policies duly naming Mashreqbank psc as the first beneficiary. If the Vehicle is not properly maintained, duly insured or the insurance premium is not paid on maturity, then Mashreqbank psc, in addition to its rights contained in these Terms and Conditions and otherwise, shall have the right but not the obligation to maintain and/or insure the Vehicle. The Client(s) agrees to reimburse on demand any expenses or charges incurred by Mashreqbank psc in this respect and not to do anything or take any action that may revoke the said vehicle insurance.
13. The Client(s) agrees not to use the loan amount for any unlawful activity including breach of any applicable sanction imposed by a local or foreign regulator or any other authority(ies) having relevant jurisdiction. In the event the Client(s) becomes aware of any breach of any applicable sanction, the Client(s) shall inform Mashreqbank psc immediately.
14. In the event that Mashreqbank psc discovers/ suspects that the loan/ limits/ advance is used for an activity that breaches any applicable sanctions programme, Mashreqbank psc reserves the right to cancel such limit/ advance/ loan unilaterally and request that the Client(s) refunds the outstanding amount. Upon such request the Client(s) shall, in agreement with the Mashreqbank psc, immediately make arrangements to return the outstanding amount.
15. If customer expressly agrees to defer the 1st EMI (Equated Monthly Installment) amount, the interest accrued during the period extended from the loan disbursement date up to first EMI date, shall be recovered by the Bank under Moratorium interest every month as part of the installment. In case of early closure of loan, the balance moratorium interest will be recovered during loan settlement.
16. Value Added Tax: For all intents and purposes, "VAT" means any value added tax or similar tax payable to any authority in respect of transactions and includes, but without limitation, any other form of taxation that may be applicable to this Agreement. The Client acknowledges that all amounts expressed to be payable under this Agreement by the Client to Mashreqbank psc which (in whole or in part) constitute the consideration for any fees for services for VAT purposes are deemed to be exclusive of any VAT which is chargeable on that fees for services, and accordingly if VAT is or becomes chargeable on any fees for services by Mashreqbank psc to the Client under this Agreement and Mashreqbank psc is required to account to the relevant tax authority for VAT on that fees for services, that the Client must pay to

Mashreqbank psc (in addition to and at the same time as paying any other consideration for such fees for services or at the point the VAT becomes due to be paid by Mashreqbank psc if earlier) an amount equal to the amount of that VAT and Mashreqbank psc must promptly provide an appropriate VAT invoice to the Client where so required to by law).

Where this Agreement requires the Client to reimburse or indemnify Mashreqbank psc for any fees for services, the Client shall reimburse or indemnify (as the case may be) Mashreqbank psc for the full amount of such fees for services, including such part thereof as represents VAT, save to the extent that such Mashreqbank psc reasonably determines that it is entitled to credit or repayment in respect of such VAT from the relevant tax authority.

In relation to any services provided by Mashreqbank psc to the Client under this Agreement, if reasonably requested by the Client, Mashreqbank psc must promptly provide the Client with details of Mashreqbank psc’s VAT registration and such other information as is reasonably requested in connection with the Client’s VAT reporting requirements in relation to fees for services provided.

17. Bank are not permitted to charge interest/profit on accrued interest/profit of any Credit Product granted to Consumers in accordance with Article (121), Clause 3 in Decretal Federal Law No. (14) of 2018, Regarding the Central Bank & Organization of Financial Institutions and Activities.

18. WARNING - KEY OBLIGATIONS OF THE CUSTOMER & CONSEQUENCES IN CASE OF FAILURE TO MEET THE SAME:

Responsibility	Failing which
<p>If you have availed a salary transfer loan</p> <ul style="list-style-type: none"> Transfer your salary to Mashreq before your first due date AND continue transferring it until the Finance is fully paid off 	<p>The bank has the right to take any or all the following actions;</p> <ul style="list-style-type: none"> Place a freeze on your salary account with other bank through court Hold or freeze any amount available in your account(s) with Mashreq / Mashreq Al Islami and/or use it to recover any or all the outstanding Finance amount Reach out to your employer to seek salary transfer to Mashreq or Mashreq Al Islami bank account Declare non salary transfer to Mashreq or Mashreq Al Islami an event of default and demand payment of any or all of the outstanding loan amount and in case of non-payment, take necessary legal action including but not limited to filing a case. For Emiratis: Use other means to recover due instalments including but not limited to Direct Debit set up on your account with other bank(s). Any instance of a failed DDA will be reported to Al Etihad Credit Bureau which could adversely affect your credit history or score and may make it more difficult for you to obtain credit in the future. For Emiratis: Reach out to Pension Fund to seek End of Service Benefit and/or Pension transfer to Mashreq.

Responsibility	Failing which
<ul style="list-style-type: none"> Pay the monthly installment on or before the due date 	<p>The bank has the right to take any or all the following actions;</p> <ul style="list-style-type: none"> Charge late payment fee as per schedule of charges Withdraw/freeze/utilize any or all the outstanding Finance amounts from any or all your Accounts with the bank or with any other bank Report any missed/delayed loan installment payment, to Al Etihad Credit Bureau which could adversely affect your credit score or history and may make it more difficult for you to obtain credit in the future.
	<ul style="list-style-type: none"> In case of continued nonpayment, the bank will employ all available measures to recover the due amount. This may include, and not be limited to, reaching out to you on the phone, over emails, by conducting physical visits to your home or place of employment. This may include, and not be limited to, reaching out to you on the phone, over emails, by conducting physical visits to your home or place of employment at the discretion of the bank. The bank can also disclose and share your Information to any Third Party including any authorized debt collection agency/agent. This is to enable the authorized debt collection agency/agent to follow up with the customer/ any appropriate third party duly authorized by the customer. Any foreclosure procedure or other repossession of the vehicle is sought for by a third party; and in case of non-payment, Mashreq may take necessary action, including but not limited to filing a case, and may include seeking repossession of the vehicle and any action that can be initiated through police/ relevant court(s)/ any appropriate authority/ organization to recover monies that are due The security cheque(s) collected as part of application may be presented without any prior notice and in case of return you may face legal consequences For Emiratis: Use other means to recover due instalments including but not limited to Direct Debit set up on your account with other bank(s). Any instance of a failed DDA will be reported to Al Etihad Credit Bureau which could adversely affect your credit history or score and may make it more difficult for you to obtain credit in the future
<ul style="list-style-type: none"> Please notify the Bank with any change whether to salary, employment terms and conditions and change of employer The customer further agrees and undertakes not to stop or otherwise cancel the salary transfer to his/her Account held with the Bank or any other Bank without the Bank's prior written approval. The customer further agrees and undertakes not to stop or cancel the Standing Order given by him/her to his/her Account with us or any other Bank without the Bank's prior written approval. 	<ul style="list-style-type: none"> The Bank is hereby irrevocably and unconditionally authorized to withdraw/freeze any or all the outstanding loan amount from any or all the customer's Accounts with the Bank or any other Bank.

Responsibility	Failing which
<ul style="list-style-type: none"> Furthermore, the customer hereby agrees and acknowledges that he/she shall be held responsible for any stoppage or otherwise non-transfer of his/her salary to the Account held with the Bank or any other Bank. 	
<p>You undertake that in the event you cease to be employed (either as a result of being terminated or resignation)</p> <ul style="list-style-type: none"> You shall ensure that all your end of service benefits, severance pay, redundancy compensation and/or any other amount is transferred to the Bank. The bank is irrevocably and unconditionally authorized to reassess and/or recall the finance and/or to withdraw/freeze/utilize any or all the outstanding Finance amounts from any or all your Accounts with the bank or with any other bank 	<p>The bank has the right to take any or all the following actions;</p> <ul style="list-style-type: none"> Charge late payment fee as per schedule of charges Withdraw/freeze/utilize any or all the outstanding Finance amounts from any or all your Accounts with the bank or with any other bank Report any missed/delayed loan installment payment, to Al Etihad Credit Bureau which could adversely affect your credit score or history and may make it more difficult for you to obtain credit in the future. In case of continued nonpayment, the bank will employ all available measures to recover the due amount. This may include, and not be limited to, reaching out to you on the phone, over emails, by conducting physical visits to your home or place of employment at the discretion of the bank, or filing a police complaint or a court case in all relevant jurisdictions. The security cheque(s) collected as part of application may be presented without any prior notice and in case of return you may face legal consequences For Emiratis: Use other means to recover due instalments including but not limited to Direct Debit set up on your account with other bank(s). Any instance of a failed DDA will be reported to Al Etihad Credit Bureau which could adversely affect your credit history or score and may make it more difficult for you to obtain credit in the future
<ul style="list-style-type: none"> Please ensure all correspondence with the bank is always kept secure 	<ul style="list-style-type: none"> Your loan details, if compromised at your end, may be mis-used by fraudsters
<ul style="list-style-type: none"> Please ensure you review all statements and transaction notifications promptly as received from the bank 	<ul style="list-style-type: none"> Disputing charges long after the fact, can be a long and cumbersome process, with high chances of your request being declined by the bank
<ul style="list-style-type: none"> Please keep the bank informed of any changes in your contact details or IDs (cell phone, email address, Emirates ID, passport, etc.) 	<ul style="list-style-type: none"> Expired documents or outdated details may hamper our ability to process transactions or reach out to you in time of need
<ul style="list-style-type: none"> Please declare all Finances, credit cards and any other financing facilities that you have at the time of application 	<ul style="list-style-type: none"> If you declare a facility after the Loan has been approved and that facility is causing your debt burden to be higher than regulatory limits or your affordability, the bank will not be under any obligation to offer restructure or any other relief pertaining to its facilities

19. Cooling Off Period (Your Right to Cancel):

In line with the Consumer Protection Standards issued by the UAE Central Bank pursuant to the Consumer Protection Regulation (Circular No. 8 – 2020), you are hereby informed that you have the right to withdraw or cancel your Car Loan Application within 5 Business Days from date of signing thereof (“Cooling-off period”). On the 6th Business Day (or 1 day after the expiry of the Cooling-off period), you must inform the Bank of your decision to cancel or withdraw the Car/ Auto Finance Application prior to car loan disbursal.

The Bank will, during the Cooling-off period, provide you with access to your account and other account related services, subject to satisfactory KYC and compliance checks and procedures of the Bank. Should you choose to waive your right to the Cooling-off period, you must, in writing, notify and/or confirm to the Bank such intention. It must be noted that if you opt to cancel or withdraw the Car/Auto Finance Application within the Cooling-off period, you shall be responsible to pay all costs and charges that you may have incurred in relation to your account AND car loan during the Cooling-off period and before the cancellation of your account AND car loan.

I/We hereby acknowledge and agree that Mashreqbank psc has the right to change the Terms and Conditions, interest rates, fees and charges according to Bank’s policy, and any changes thereof will be notified to me/us by the Bank 60 calendar days prior to their implementation.

I/We hereby confirm that this CashIn Car Loan Key Facts Statement has been provided to me prior to my application for car loan.