

## GENERAL TRADE TERMS AND CONDITIONS

In consideration of Abu Dhabi Islamic Bank PJSC hereinafter referred to as (the “ADIB/Bank” or “You/Your”) agreeing to issue or honour trade transactions delivered through the E-Channels and the Applications, at my/our request (the “Customer” or “I/We”), accordingly, it is hereby understood and agreed between ADIB and the Customer as follows;

### General Definitions

“**AED**” means the lawful currency of the United Arab Emirates.

“**Application (s)**” means the application form (s) which shall be signed and submitted by the Customer to ADIB via the E-Channels subject to these Terms and Conditions.

“**Authorized Person**” means any person authorized by the Customer to act on its behalf in the performance of an act, discretion or duty under these Terms and Conditions and the Application (s);

“**Administrator**” means the Customer’s employee or agent empowered or enabled by the Customer with either sole or dual authority to appoint Users.

“**Banking Services Agreement**” means the agreement between ADIB and the Customer in respect of the banking services and accounts.

“**Business Day (s)**” shall mean any day on which banks in the UAE are open for general business, excluding Fridays and public holidays;

“**Customer**” means the customer whose name and other particulars are mentioned under the Application (s).

“**Customer Instructions**” mean any instruction given by the Customer to ADIB in connection with the subject matter hereof in accordance with these Terms and Conditions.

“**E-Channel(s)**” means ADIB's electronic banking systems described hereunder , accessed via the portal or such other access point, which ADIB may authorize the Customer and any User to access and use thereof from time to time in accordance with these Terms and Conditions.

“**E-Channels Services**” means any electronic banking or related services supplied via an E-channel and ancillary services that ADIB provides, procures or make available to the Customer from time to time including any online services related or supplemental thereto, as may be further described hereunder and in the Application (s).

“**Fees**” mean the fees payable to the Bank by the Customer as more particularly described in the Schedule of Charges in ADIB’s website and ADIB’s branches.

**“Instructions”** means documentation, operating instructions or reference guidelines relating to the use of the E-Channels and the use thereof issued by ADIB or a third party in any written form whether physical or electronic.

**“Institution”** means any member of the ADIB group of companies (other than ADIB) and any third party institution providing the E-Channel Services.

**“Internal Shari’a Supervisory Committee”** means ADIB’s Internal Shari’a Supervisory Committee.

**“Materials”** means any content, tools or other materials (other than software) made available to the Customer for the purpose of making use of the E-Channels.

**“Security Procedures”** means the facilities and procedures used to control the operation of each of the E-Channels either by ADIB or third party.

**“Software”** means any software made available for the use of the Customer including any such software, application or system to be used for trade related transactions.

**“Schedule of Charges”** means the relevant schedule/tariff board available at ADIB branches and/or on its website relating to Fees and other service charges payable by the Customer to ADIB in respect of various transaction(s) including the E-Channels Services.

**“Terms and Conditions”** mean these general trade terms and conditions.

**“UAE”** means the United Arab Emirates.

**“User(s)”** means any of the Customer’s employees, agents, Administrators or any other individual(s) authorized by the Customer, whom from time to time are/is appointed to use the E-Channels.

**“VAT”** means value added tax imposed on the supply of goods or services under the UAE Federal Decree-Law No. 8 of 2017 and the related executive regulations.

Interpretation

Unless the context requires otherwise, the following rules shall apply:

- a) Where two or more persons constitute the expression the “Customer”, all covenants, agreements, undertakings, stipulations, obligations, conditions and other provisions hereof and their liability herein shall be deemed to be made by and be binding and applicable respectively on them jointly and each of them severally and shall also be binding on and applicable to their personal representatives, successors and/or assigns jointly and severally.
- b) Reference to any person shall include any corporation, firm, partnership, society, association, statutory body and agency, whether local or foreign.
- c) The clauses and other headings herein are for ease of reference only and shall not affect the interpretation of any provision hereof.
- d) Reference to a statutory provision includes reference to any modification, consolidation or re-enactment of it for the time being in force, and all statutory instruments or orders made pursuant to it.

- e) Words importing the singular meaning shall where the context so requires include the plural and vice-versa.
- f) Words importing any gender shall include all genders.
- g) Where a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- h) References to “month” shall mean references to a Gregorian month.

## **General Terms and Conditions**

### **1. Provision of Services**

Subject to these Terms and Conditions, the relevant laws and regulations and the requirements of ADIB from time to time, ADIB hereby agrees to make reasonable efforts to render to the Customer and the Customer hereby agrees to avail from ADIB, the E-Channels Services accordingly, in consideration of, inter alia, the Customer’s compliance of its obligations herein and the payment of the applicable Fees and all other payments hereof (if any).

### **2. Eligibility and Adjustments**

Notwithstanding any terms to the contrary, ADIB shall have the sole right to decide the mode and manner of providing the E-Channels Services and/or to decide the eligibility of the Customers to avail certain the E-Channels Services at any time and /or to decide any changes or modifications thereto in accordance with these Terms and Conditions.

### **3. Authorized Person(s)**

The Customer shall furnish ADIB with a full and accurate list of Authorized Person(s) appointed by the Customer, who is/are authorized to give Customer Instructions to ADIB along with the relevant authorizations. The Customer authorises ADIB to circulate the Authorized Persons’ signature and facsimile to any branch of ADIB. The Customer undertakes to inform ADIB immediately regarding any changes (if any), in the specimen facsimile signatures of Authorized Person(s) and also furnish the alternate specimen facsimile signatures of additional/alternate Authorized Persons to ADIB prior to requesting for circulation amongst its branches.

### **4. Security Procedures**

The Customer shall comply with the Security Procedures and any other reasonable instructions ADIB may issue to the Customer in respect of the E-Channels. Notwithstanding the foregoing, it is the Customer’s responsibility to set up, maintain and regularly review the security arrangements concerning the Customer’s access to and use of the associated computing and system requirements to determine the adequacy thereof or any other matter or thing. The Customer must notify ADIB as soon as reasonably possible upon becoming aware of any actual or attempted unauthorized access or any unauthorized transaction or attempt to execute an unauthorized transaction. The Customer shall be responsible for all the acts of the Users being the Customer’s authorized representatives who shall always be aware of all security matters in relation to the use of any Software and/or Materials and these Terms and Conditions and that they shall obtain all appropriate authorisations required before carrying out any act.

## **5. Customer Instructions**

ADIB may treat all apparently valid Customer Instructions authorized by the Customer even if made fraudulently and even if they conflict with the terms of any other instructions or mandates given by the Customer at any time. ADIB shall be under no obligation to check the authenticity of Customer Instructions or the authority of the person or persons giving them. Notwithstanding the foregoing and without liability on the part of ADIB, ADIB reserves the right not to act, or to delay acting upon the Customer Instruction and ADIB will inform the Customer as soon as is reasonably possible. It is the Customer's responsibility to ensure at all times the accuracy and completeness of and proper and lawful authorization of the Customer Instructions and that the same have been transmitted correctly. ADIB shall be entitled to debit the Customer's accounts with actual costs or expenses ADIB may have paid or actually incurred in accordance with a Customer Instruction, that is without obligations on the part of ADIB to make payments of any amounts required to implement the Customer Instructions which shall be the responsibility of the Customer at all times.

## **6. Dealings with Institutions**

The Customer appoints ADIB as the Customer's agent on its behalf to request any institution to supply any information about the Customer or the Customer's accounts and /or to issue instructions to third parties to give effect to a Customer Instruction as the Customer's agent. ADIB is hereby authorized to delegate any powers conferred to it, further to third parties in performance of the matter contained herein. In any event, neither ADIB nor any other member of the ADIB group of companies shall be liable for any loss, damage, delay or failure to perform, caused by the acts or omissions of any such third parties or agents whether selected by ADIB or the Customer or for any reason whatsoever beyond ADIB's control except in cases of negligence and misconduct on part of ADIB.

## **7. Software and Materials**

Title to and all rights in the Software and the Materials belong to ADIB or its licensors and, except for the specific rights granted by ADIB herein, the Customer will acquire no rights whatsoever in relation thereto. The Customer acknowledges that the use of certain Software and Materials may be subject to additional restrictions and obligation on the part of the Customer, such restrictions and obligations shall be integral part for the use the Software and the Materials which the Customer shall comply with and the Customer shall be deemed to have accepted any such additional terms upon any User using any such Software or Materials. The Customer undertakes not to alter, reverse engineer, copy, publish or impart to any third party any Software or Materials.

## **8. Possibility of Error**

ADIB does not warrant that any and all information made available in connection herewith is accurate, complete or error-free, nor that the information on ADIB's computer system is current and up-to-date at the time it is accessed. The Customer must verify the correctness of the information with ADIB and in case of error ADIB sole obligation is to take reasonable steps to correct the defective part of the information to the extent possible and in case of software error, to correct the defective part thereof and/or retransmit or reprocess the Customer Instruction, at no additional cost to the Customer.

## **9. Termination**

Either party may terminate these Terms and Conditions in whole or in part on not less than (30) thirty Business Days' written notice to the other party or with immediate effect by written notice to the other if the other party; (a) commits a material breach which is not remedied within (14) fourteen Business Days of a written notice requiring remedy; or (b) becomes insolvent under the laws of any applicable jurisdiction. Termination will not affect the rights and remedies of either party accrued until the date of termination nor will it affect any provisions hereof which by their nature shall survive termination. Upon termination for any reason of any part hereof for which Software or Materials were supplied, any such Software or Materials license terminates. From time to time, ADIB may suspend some or all the E-Channels for routine, non-routine or emergency maintenance or for any other reason where ADIB reasonably considers necessary. If the Customer is affected due to this suspension, ADIB should compensate the Customer on pro-rata basis for any periodic fees on the services suspended in proportion to the period during which services were not available to the Customer. In the event of such a suspension, ADIB will provide the Customer, within a reasonable period, notice prior to the suspension and in case of emergency such notice shall not be required. For the purpose of clarity, suspension under this clause shall mean stopping of E-Channels Services by ADIB to the Customer continuously for more than 24 hours except for the cases whereby certain actions are required to be taken by ADIB to protect the Customer(s) such as disabling Customer's access thereto in cases such as: fraud or security breaches.

## **10. Tax**

All Fees and payments in respect of the subject matter hereof are exclusive of value added tax, sales tax or any other tax applicable in any relevant jurisdiction including any taxes applicable in the United Arab Emirates and the Customer shall pay all taxes of any nature whatsoever.

## **11. Sub-Contracting**

The Customer irrevocably agrees that ADIB may transfer or sub-contract the subject matter hereof in part or in whole to any third party without the need for the Customer's knowledge or consent which shall hereby be deemed to be granted by the Customer to ADIB.

## **12. Rules and Principles of Islamic Shari'a and Customer Undertaking**

The Customer acknowledges and agrees that the rules and principles of the Islamic Shari'a as per the Shari'a standards of the Accounting and Auditing Organization for Islamic Financial Institutions shall be integral and inseparable hereof. The Customer hereby undertakes that it shall not utilize any of the E-Channels nor it shall give any Customer Instructions or use any of the rights and benefits hereunder for any purpose that is not in conformity with the Islamic Shari'a. If ADIB finds out that any of the Customer Instructions, utilization, access or use thereof has been for any purpose that is non-compliant with Islamic Shari'a, then without prejudice to any other rights, ADIB shall be entitled to reject access thereof and not carry out the Customer Instructions. Notwithstanding any terms to the contrary, the Bank will not be liable to the Customer for any loss, damage or expense thereby incurred or sustained. For the purpose of clarity, ADIB shall not be liable to process any Customer Instructions which includes payment or receipt of interest or any amounts in the nature of interest.

### **13. Waiver of immunity**

To the extent that the Customer may in any jurisdiction can claim for itself or its assets immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that in any such jurisdiction there may be attributed to itself or its assets such immunity (whether or not claimed), the Customer hereby irrevocably agrees not to claim and hereby irrevocably waives such immunity to the full extent permitted by the laws of such jurisdiction.

### **14. Confidentiality**

ADIB may need to share, store or transmit information about the Customer and the Users within ADIB or ADIB group or with any institution, agent or third party used by ADIB, providing professional services to it, any such act will be done on a confidential basis and ADIB will endeavor to maintain confidentiality of such information within the ADIB or ADIB group of companies unless: (a) otherwise required by any law or request of any public authority; or (b) where disclosure is required for the purposes of preventing crime; or (c) ADIB deem disclosure necessary to give effect to a Customer Instruction or any other obligation ADIB is required to perform. Nothing in this Clause shall apply when ADIB discloses confidential information to a third party as a result of ADIB exercising its rights and powers granted herein whether express or implied. The Customer must keep confidential all information unless disclosure is permitted by law.

### **15. Limited Warranties**

Save for reasons beyond ADIB's control or other reason attributable to third parties, ADIB will use reasonable efforts so that the E-Channels and the E-Channels Services will perform in substantial conformity to the description hereof. To the extent permitted by law and Islamic Shari'a, this is the only performance warranty made by ADIB in respect hereof. ADIB shall have no liability for breach of any implied terms including, without limitation, those as to satisfactory quality, merchant ability or fitness for any particular purpose except in cases of negligence and misconduct on part of ADIB. ADIB shall not be liable in any and all circumstances for any opportunity loss, loss of profit or any payment in the nature of interest whatsoever.

### **16. Severability**

If any provision(s) hereof shall be held and finally determined by a court of competent jurisdiction to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining portions thereof shall not be affected and remain in full force and effect.

### **17. Force Majeure and Other Rights**

Neither party nor any member of ADIB Group will be liable for any loss (including loss of profit), damage, delay or failure in performing any of its duties relating hereto caused in whole or in part by the action of any government or governmental agency, natural disasters, law or regulation (or any change in the interpretation thereof), injunction, currency restriction, sanction, exchange control, industrial action (whether involving its staff or not), war, terrorist action, equipment failure, or interruption to power supplies or anything else beyond its reasonable control. ADIB and other members of ADIB Group are required to act in accordance with the laws and regulations operating in various jurisdictions which relate to the prevention of money laundering, terrorist financing and the provision of financial and other services to any persons or entities which may be subject to sanctions. ADIB may take, and may instruct other members of ADIB Group to take, any action which it, in its sole and absolute discretion, considers appropriate to act in accordance with all such laws and regulations.

Such action may include but is not limited to the interception and investigation of any payment messages and other information or Customer Instructions sent to or by the Customer or on its behalf via ADIB's systems or any E-Channel or any other member of the ADIB Group's systems or E-Channels; and making further enquiries as to whether a name which might refer to a sanctioned person or entity actually refers to that person or entity. Notwithstanding any provision, neither ADIB nor any other member of ADIB Group will be liable for loss (whether direct, consequential or loss of profit, data or damage suffered by any party arising out of any delay or failure by ADIB or any other member of ADIB Group in performing any of its duties hereunder or other obligations caused in whole or in part by any steps which any of them, in their sole and absolute discretion, considers appropriate to act in accordance with all such laws and regulations or the exercise of any of the ADIB's or any other member of ADIB Group's rights under this clause. In certain circumstances, the action which ADIB or any other member thereof may take may prevent or cause a delay in the processing of certain information. Subject to the overriding requirements of any applicable laws and regulations, ADIB will endeavor to notify the Customer of the existence of such circumstances as soon as is reasonably practicable.

#### **18. Order of Precedence**

These Terms and Conditions shall be read in conjunction with and in addition to the terms of the Banking Services Agreement.

#### **19. Currency Exchange (FX).**

As and when instructed or authorized by the Customer hereunder for cross currency transactions, the Customer will be deemed to have appointed ADIB as its agent to purchase the required foreign currency from a third party (s) or from its own sources at the rate(s) not more than the Prevailing Exchange Rate of ADIB for the required currency at the time of the transaction and for the purpose of greater clarity, prevailing rate of ADIB means the spot exchange rate of the relevant currency in force at ADIB as provided in its branches and/or website or a fixed rate of exchange agreed between the Parties which should not be changed once accepted by the Parties except by mutual consent (the "Prevailing Exchange Rate"). If ADIB purchases the required currency at a rate less than the Prevailing Exchange Rate or the agreed fixed rate, then unless the Parties agreed to the contrary, the difference shall be incentive for ADIB under the agency. The Customer agrees that if the Customer authorizes a transaction to be as current dated after the cut-off times, the transaction execution may take place the next Business Day and the Customer authorizes ADIB to convert the currency at the time of the transaction execution as per the then Prevailing Exchange Rate or the agreed fixed rate. The Customer agrees that the transaction may fall in queue due to bank's compliance policy or regulatory requirements or issues or any administration related checks and once it is cleared, ADIB may proceed with the transaction and hence the Prevailing Exchange Rate at the time of the transaction or the agreed fixed rate will be utilized.

#### **20. Miscellaneous**

**20.1.** Communications via e-mail, the internet, Short Message Service (SMS), or any other similar methods entail risks, the Customer acknowledges such risks and that any such communications may be intercepted, monitored, amended or otherwise interfered with by third parties. ADIB shall not be responsible or liable to the Customer or any third party in the event of any such occurrence in relation to any communication between ADIB and the Customer (or which appears to have been

made on the Customer's behalf), or any communication the Customer asks ADIB to enter into with any third party.

- 20.2.** Each party shall take all reasonable precautions to ensure that communications through electronic means are not affected by computer viruses, Trojan horse programs (such as key loggers) and other harmful programs or components.
- 20.3.** The rights of ADIB hereunder (a) may be exercised as often as necessary; (b) are cumulative and not exclusive of its rights under any applicable law; and (c) may be waived specifically and only in writing. Any delay in the exercise or non-exercise of any such right is not a waiver of that right.
- 20.4.** ADIB may make modifications which are required due to or in connection with changes in the E-Channels and the E-Channels Services, changes in any laws and/or regulations or any other modifications required by ADIB. In the event that ADIB makes changes relating thereto, ADIB shall update these Terms and Conditions and post the same on the ADIB's internet home page and send a notice of the same to the Customer. In the event that the Customer continues to use the E-Channels and the E-Channels Services after receipt of said notification or publication thereof on the internet home page or by any other means, then the Customer shall be deemed to have accepted and be bound by said changes and/or variations and waive any right of contestation in respect thereof. The amended Terms and Conditions shall be enforceable only for the future transactions and/or services taking place after the amended Terms and Conditions are effective and shall not be applicable back value dated.
- 20.5.** Certain jurisdictions or services or financing may have particular contractual, legal or regulatory requirements that require the Customer to agree to supplementary terms. Where such supplementary terms are necessary, ADIB will provide those terms in writing and any other relevant documentation, in the event that the Customer accepts those terms or documents, as the case may be, the Customer shall be bound by the same and waive any right of contestation in respect thereof.
- 20.6.** The Customer shall ensure the authenticity, reliability, validity, accuracy and completion of any information, details, contents, materials, communications or documents required from the Customer in relation hereto and in case of any discrepancy therein, the Customer shall be solely responsible for any loss and/or damage suffered or liability, non-payment, wrong payment or delayed payment caused directly or indirectly as a result of such discrepancy.

## **21. ELECTRONIC SIGNATURE**

- 21.1.** These terms and conditions including any amendments related thereto may be accepted executed, agreed upon and signed electronically in accordance with Federal Law Number 1 of Year 2006 concerning Electronic Commerce and Transactions, accordingly, the Customer hereby agree to the use of electronic signature as lawfully valid, and binding signature having the same legally effect as provided for under such Law, accordingly, the communications, documents and underlying transactions including any offer and/or acceptance exchanged signed, accepted, executed or agreed between the Customer and the Bank electronically shall be considered legally valid, binding and enforceable as if the same were physically executed.

- 21.2.** The Customer shall comply with all obligations herein and under any relevant laws and regulations in respect of the subject matter hereof including federal Law Number 1 of Year 2006 concerning Electronic Commerce and Transactions as may be amended from time to time.
- 21.3.** The Customer shall be responsible to ensure not to unlawfully use its electronic signature and permit any unauthorized person to act on behalf of the Customer. The Customer shall exercise reasonable care and due diligence to prevent any unauthorized use thereof and shall bear the legal consequences of its failure to do so.
- 21.4.** The Customer acknowledges and agrees that the Bank may maintain, transfer, process and store its data, information and records in electronic form, on microfilm or other methods (including in processing centers and databases within and outside of the UAE) and further agrees that the messages, cables, telexes fax, microfilms, tapes computer printouts and photocopies, which may be exhibited by the Bank as an extract from its files, books, records or accounts shall constitute conclusive evidence of the genuineness of the contents thereof and such documents shall constitute admissible evidence at any courts of competent jurisdiction.
- 21.5.** The Customer shall indemnify the Bank and hold it harmless from and against all actions, suits proceedings, actual costs, claims, demands, charges, actual expenses, actual losses and liabilities however arising in consequences of, or in any way related to the use and acceptance of electronic signature.
- 21.6.** When using the specially designated Software for trade related transactions which is known as ADIB Direct for Trade, and upon selecting the reject or approve option where indicated therein by the Customer, the Customer understands and agrees that such rejection or approval as the case maybe will be made to the documents specified and attached under the "Image(s) Maintain" section, accordingly any rejection or approval shall be deemed to be given to the documents named and attached within that section.

## **22. Cash Margin**

In connection with any issuance, participation, undertaking or any other documentary or trade finance related arrangement or any facility in which ADIB will be party thereto upon the Customer's request or instructions as such arrangement shall be agreed between the Customer and ADIB, such as but without limitation; issuance of letter of guarantee or letter of credit, the Customer hereby authorizes ADIB in relation thereto to debit the Customer's relevant account or any other account with the cash margin or the security deposit that shall be deducted for such arrangements,. The Customer shall thereupon select when and if appropriate non-profit bearing account (s) or Investment Deposit Account/Term Deposit for the purpose of depositing the cash margin and for discharge, performance of the Customer's obligations thereunder, whereupon and without prejudice to the rights of ADIB under the agreed trade related arrangement.

The non-profit bearing account shall be operated as a current account as per the Banking Services Agreement and the Customer shall not be eligible for profit but the account balance will be guaranteed. Under Investment Deposit Account/Term Deposit as provided for under the Banking Services Agreement, the Customer may earn profit but the account balance and profit will not be guaranteed as they will be subject to relevant investment risks and the results of investment

transactions. In this case, the tenor of the Investment Deposit Account/Term Deposit shall be equal to or greater than the term of the facility(ies) provided by ADIB to the Customer.

In case the Customer advises ADIB to collateralize any of its existing accounts as a security for any of the facilities provided by ADIB to the Customer, the terms and conditions for that account type as agreed and signed by the Customer shall apply in addition to the fact that the said account shall remain collateralized till discharge of the Customer's obligations towards ADIB in full unless ADIB agrees otherwise.

### **23. Delay in Payment**

If I/We, by way of procrastination, and despite Your demand, fail to pay any amount due under these Terms and Conditions (and any terms and conditions or other agreements related thereto) , then I/We undertake, upon Your demand, to donate to charity, under the Internal Shari'a Supervisory Committee's supervision, an amount calculated as per the below formula, after deducting all actual and direct liabilities, costs (including legal costs) and expenses (excluding cost of funds, opportunity cost and penalty for delay) incurred by You as a consequence of our failure to comply with these Terms and Conditions (and any terms and conditions or other agreements related thereto). For the avoidance of doubt, any delay in payment by us shall be deemed a procrastination unless We prove otherwise.

30 days of delay	:	M + (M x 10%)
60 days of delay	:	M + (M x 20%)
90 days of delay	:	M + (M x 30%)
120 days of delay	:	M + (M x 40%)
150 days of delay and above	:	M + (M x 50%)

$M = \text{Past due Payment(s)} \times (\text{margin} + \text{EIBOR (if any)} + \text{market premium (if any)}) \times \text{no. of delay days} / 360 \text{ or } 365$

*(The above-mentioned margin, EIBOR, market premium will be applicable as agreed in the facility offer letter)*

### **24. Governing Law and Jurisdiction**

These terms and conditions shall be governed by and construed in accordance with the Federal laws of the UAE and any other local laws as may be applicable to the extent that such laws do not contradict with the rules and principles of the Islamic Shari'a as interpreted by Internal Shari'a Supervisory Committee of ADIB, in case of contradiction, the rules and principles of Islamic Shari'a shall prevail, and the Customer hereby irrevocably submits to the exclusive jurisdiction of the courts in the UAE to hear and determine any suit, action or proceeding and to settle any disputes which may arise out of or in connection with these terms and conditions in accordance with the provisions of law. Submission to the jurisdiction of the courts of UAE shall not limit the right of ADIB to bring proceedings against the Customer in any other court of relevant jurisdiction.