Key Facts Statement (KFS)

Trade and Working Capital Financing

This Key Facts Statement is provided in accordance with the applicable UAE Central Bank regulations and standards relating to customer protection, including the Small to Medium Sized Enterprises (SME) Customer Protection Regulation, as applicable

Important Information

Trade and working capital financing: Working capital helps businesses manage daily operations by funding short-term needs such as inventory, raw materials, receivables and trade obligations. Bank of Baroda offers both funded and non-funded credit facilities through products such as overdrafts, trust receipts, invoice financing, local cheque / bills discounting, letters of credit and bank guarantees, and short-term demand loans. This Key Facts Statement summarizes the key terms and charges for these products. For detailed terms and conditions, please refer to the Facility Offer Letter and Loan Agreement.

Product Description	
Eligibility	Entities licensed to operate in the UAE.
Purpose	To meet fund-based and non-fund-based working capital requirements of the entity for activities as permitted under the trade license of the entity.
Products / Facilities	• Line of Credit (LOC) • Overdraft (OD) • Demand Loan / Working Capital Demand Loan • Trust Receipt (TR) / Invoice Financing • Letter of Credit (LC) / Foreign Bill Purchase (FBP) / Foreign Bill Discounting (FBD) / Local Bill / Invoice Discounting • Foreign / Inland LC (Sight / Usance) • Bank Guarantee (Bid Bond / Tender Bond / Performance Bond / Advance Payment / Financial / Other Guarantee) – for business purpose, working capital purpose etc.
Currency of Loan	AED (Arab Emirates Dirham) / USD (US Dollar), subject to regulatory guidelines.
Repayment	Repayment / settlement shall be as applicable to the relevant facility/product as specified in the Facility Sanction Letter and applicable facility documents. Certain facilities may be repayable/settleable on demand.
Interest Rate for FB Limits	Emirates Interbank Offer Rate (“EIBOR”) (For credit facilities denominated in AED) / Secured Overnight Financing Rate (“SOFR”) (1, 3, 6, 12 months) (For credit facilities denominated in USD) + Margin = Effective Rate, based on the currency of limits sanctioned. A floating / variable interest rate linked to EIBOR / SOFR, as applicable, shall be charged by the Bank based on its assessment and the terms stipulated for the facility. Interest shall be calculated on the amount actually utilized under the facility and shall be debited to the customer’s account on a monthly basis, with the interest relating to each individual facility / utilization becoming payable as and when charged in the account or on its respective repayment date, as applicable to the facility type. Interest shall be debited as and when charged.

Product Description	
Securities	• Unsecured or secured as per the separate Facility Agreement signed with the Bank, detailing all Terms and Conditions. • Security in the form of tangible assets, such as stock, receivables etc. to be acquired out of the loan proceeds, and / or other collateral securities acceptable to the Bank at its discretion. The securities shall be duly created, perfected and registered with EIRC and / or the relevant authority, as applicable. • In addition, other forms of security which may include Guarantees from corporates, individuals or banks may also be required.

Key Fees and Service Charges	
Processing Fee	As per the Facility Sanction Letter
Review / Renewal Charges (Annual basis)	As per the Facility Sanction Letter
Documentation Charges	As per the Facility Sanction Letter
Commitment Charges	As per the Facility Sanction Letter
Valuation Charges	Valuation is an independent assessment to determine the current value of the Primary / Collateral Security. Valuation fees of the valuer will be based on the scope of the valuation, size and type of the primary / collateral security. The expenses towards the same shall be borne by the borrower/s at actuals.
Legal Fees / Charges	Work related to execution of documents and vetting of the documents will be carried out by the Bank's legal department / Bank's empanelled legal counsel. The expenses towards the same shall be borne by the borrower/s at actuals.
Insurance of Securities	Adequate insurance cover for all assets of the entity, i.e. Primary like stock and other insurable collateral security (like Machinery & Equipment, Building etc.), to be taken as per the Bank's guidelines and expenses to be borne by the borrower/s. Insurance shall be arranged by the Borrower/s at its own cost, with the Bank's interest duly noted/endorsed or the policy assigned in favor of the Bank, as applicable. In case, if Borrower fails to arrange the Insurance, Bank may arrange it with charges to be debited to Borrower/s account.

Notes

I. The Primary / Collateral Security will be evaluated by an approved valuer and facility documents will be vetted by the Bank's legal department / Bank's empanelled legal counsel. The expenses towards the same shall be borne by the borrower/s at actuals and shall be non-refundable.

II. All the charges in relation to the structure and facility would be incorporated in the facility sanction letter at the time of approval.

III. Other applicable fees and charges shall be levied as per the Bank's prevailing Schedule of Charges, as amended from time to time and available on the Bank's website.

IV. All charges, commissions and fees are inclusive of Value Added Tax (VAT) and / or other similar sales tax.

V. Detailed Terms & Conditions will be finalized on mutually agreed terms at the time of final sanction.

To know more about charges & fees, please visit the Bank's website: **www.bankofbarodauae.ae**

Warning Statements / Key Observations

⚠ The facility terms and conditions shall be detailed in a separate Sanction Letter, which shall be duly accepted prior to availing the facility. Any clarification regarding the Terms and Conditions may be discussed with the Bank Officials prior to acceptance of the Sanction Letter.

⚠ Renewal of the facility is subject to submission of required documents for renewal of limits, compliance of applicable terms and conditions and the Bank's internal credit assessment.

⚠ The Borrower/s to provide the necessary information / documents at least 90 days prior to the facility renewal date to facilitate timely annual renewal. Renewal of the limits and the terms of the renewed facility shall be subject to the Bank's approval.

⚠ The terms and conditions applicable upon renewal may be revised and shall be subject to the Bank's discretion and approval.

⚠ The product is an uncommitted finance facility provided at the Bank's discretion. Accordingly, the facility is repayable on demand and may be amended or cancelled by the Bank at any time. The Bank may also vary the pricing applicable to the Product from time to time.

⚠ The Borrower/s to adhere to the facility covenants and Terms and Conditions and provide the required information / documents in a timely manner throughout the facility tenor to avoid cancellation of the limit, which may subsequently affect the Borrower/s credit score with regulatory authorities / Credit Information Agencies and impact access to future financing.

⚠ The Trade and Working Capital limits carry a variable interest rate linked to Benchmark Rate viz EIBOR / SOFR, depending on the currency of limits and an increase in the benchmark reference rate may increase interest payable, periodic instalment and / or overall cost of borrowing.

⚠ If the Borrower/s fails to make payment on the due date / is late in payment or otherwise breaches the mutually agreed Loan Terms, this will be treated as default and the Bank will be entitled, among other things, to:

- Charge additional and Separate penal interest / charges of 2% p.a. for the non-compliance of Terms and Conditions;
- Cancel the loan unconditionally, without being subject to any specific minimum time period, and / or demand full repayment immediately, whether or not the Borrower/s is traceable;
- Report the arrear / default to the appropriate regulatory authorities, including the UAE Central Bank, Al Etihad Credit Bureau and credit rating agencies, which will affect Borrower/s credit rating and may limit Borrower/s ability to access financing in the future.
- Initiate legal proceedings against the borrower/s, Promoters & Guarantors;
- Employ all available measures to recover the due amount;
- In the event of default or non-repayment of the loan facility, the Bank reserves the right to appropriate the pledged deposit towards settlement of the outstanding dues, including principal, interest, charges and other applicable amounts.

Key Information

- The Bank may, from time to time and at its sole discretion, make changes to the Terms and Conditions pertaining to this Product. Without prejudice to the nature of this Product, where required under applicable law, such changes shall be communicated to Borrower/s with the stipulated notice period and / or as mutually agreed in the Sanction Letter signed by Borrower/s.
- This Key Facts Statement is not a credit offer and does not constitute an obligation on the part of the Bank to provide any loan facility.
- The Bank is not obliged to extend the loan described herein. Borrower/s must formally apply and meet the Bank's internal credit and eligibility criteria.
- The facility is granted under discretionary lending and a separate Facility Agreement will be executed, detailing all applicable Terms and Conditions.
- Prior to signing the Loan Agreement and Sanction Letter, Borrower/s are advised to carefully review all terms and conditions to ensure that the facility meets their needs and that Borrower/s fully understand the features, obligations, and pricing associated with the product.
- All loan amounts, along with accrued interest, must be repaid as per the agreed repayment schedule. Failure to make timely payments may result in Borrower/s account falling into arrears / default, potentially impacting Borrower/s credit score and affecting access to current or future financing.
- Borrower/s must comply with all facility covenants and terms, including timely submission of required information during the loan tenure. Non-compliance may lead to cancellation of the facility and could adversely impact Borrower/s credit rating with regulatory authorities or credit bureaus.
- For any enquiries, assistance, or to register a complaint, Borrower/s may contact the Bank at any of its branches or by visiting the website: **www.bankofbarodauae.ae**.

ACKNOWLEDGEMENT

I ACKNOWLEDGE RECEIVING AND UNDERSTANDING THIS KEY FACTS STATEMENT.

Customer Name	Customer E-mail
Contact No.	Date
Customer Signature	Branch Official (Name, Signature & Stamp)