

First Abu Dhabi Bank PJSC Master Mortgage Loan Terms and Conditions

1 Regulatory status

First Abu Dhabi Bank PJSC (the “**Bank**”) is licensed and regulated by the Central Bank of the UAE. Its registered office address is P.O. Box 6316, Abu Dhabi, UAE.

2 Customer’s Relationship with the Bank

2.1 The following terms and conditions, as amended from time to time (the “**Master Mortgage Loan Conditions**”) govern the relationship between the Bank and a natural or legal person (hereinafter called the “**Customer**”) in respect of any Mortgage Loan offered by the Bank to the Customer.

2.2 Words or expressions defined in the Bank’s General Terms and Conditions for Accounts (the “**General Conditions**”) shall, unless the context so requires, have the same meaning when used in these Master Mortgage Loan Conditions and the principles of construction contained in the General Conditions apply as if fully set out in these Master Mortgage Loan Conditions. Definitions of other capitalised terms used in these Master Mortgage Loan Conditions are set out in the Glossary. Where such terms are used elsewhere by the Bank throughout any of its documentation, agreements or on its website, they shall have the meanings set out in the Glossary unless given a different meaning in the context in which they are used.

2.3 References to the “Master Mortgage Loan Conditions” throughout the Bank’s documentation, including Security Documents, Requests, Offer Letters, account mandates, advertisements, notices, brochures, schedules, agreements or such other documents, are references to these Master Mortgage Loan Conditions.

2.4 These Master Mortgage Loan Conditions constitute an integral part of the Bank’s agreement to provide a Mortgage Loan to the Customer and apply, unless expressly excluded, to all Mortgage Loans made available to the Customer.

2.5 The legal and contractual relationship between the Bank and the Customer is determined by these Master Mortgage Loan Conditions, the General Conditions, any Security Document, each Request, each Offer Letter, the Schedule of Charges, any guidelines issued by the Bank and any other agreement or document specified by the Bank for this purpose.

2.6 If there is any conflict or inconsistency between:

- (a) these Master Mortgage Loan Conditions or the General Conditions and a Request or an Offer Letter, such Request or Offer Letter shall prevail;
- (b) an Offer Letter and a Request, the Offer Letter shall prevail,

in each case to the extent of that conflict or inconsistency.

2.7 By signing a Request, accepting an Offer Letter or borrowing a Mortgage Loan, the Customer is deemed to have read and understood these Master Mortgage Loan Conditions and agrees to be bound by them.

3 Application for a Mortgage Loan

3.1 The Bank offers a variety of Mortgage Loans all of which are set out on the Bank’s website.

- 3.2** The availability, eligibility criteria and applicable conditions in respect of any Mortgage Loan are subject to the Bank's determination and applicable laws.
- 3.3** All Mortgage Loans offered by the Bank are offered at the Bank's sole and absolute discretion. The Bank reserves the right, at any time, without liability or penalty, to refuse to provide any Mortgage Loan. Where permitted by applicable law, the Bank shall endeavour to provide its reasons for any such refusal.
- 3.4** Any Mortgage Loan made available to the Customer is personal to the Customer. The Customer must immediately notify the Bank if it is not the ultimate beneficiary (being the person that stands to gain the commercial or economic benefit and/or bears the commercial or economic risk) of, or the ultimate originator of any instruction relating to, any Mortgage Loan, even if such circumstances are only the case for a one-off transaction.

4 Representations and Warranties

- 4.1** By signing a Request, accepting an Offer Letter or borrowing a Mortgage Loan, the Customer represents and warrants to the Bank that:
- (a) the relevant Property is free from any encumbrances (other than any encumbrance contained in the General Conditions or these Master Mortgage Loan Conditions);
 - (b) the Customer is the sole legal and beneficial owner of the relevant Property and has good, valid and marketable title to that Property;
 - (c) the Customer has not received, or acknowledged notice of, any adverse claim by any person in respect of the relevant Property;
 - (d) no breach of any law, regulation or covenant is outstanding which adversely affects or might reasonably be expected to adversely affect the value, saleability or use of the relevant Property;
 - (e) there is no covenant, agreement, stipulation, reservation, condition, interest, right or other matter whatsoever adversely affecting the relevant Property;
 - (f) the relevant Property has all facilities necessary for the enjoyment and use of that Property and none of those facilities are on terms:
 - (i) that entitle any person to terminate the use of that Property by the Customer; or
 - (ii) which conflict with or restrict the use of that Property by the Customer; and
 - (g) the relevant Property is held by the Customer free from any lease or licence (other than any lease or licence entered into in accordance with these Master Mortgage Loan Conditions).
- 4.2** Each of the representations and warranties set out above are deemed to be repeated on each day throughout the period the Bank provides a Mortgage Loan to the Customer.
- 4.3** If any representation and warranty set out above is or becomes untrue at any time, the Customer must notify the Bank immediately.

5 General Mortgage Loan Conditions

- 5.1** The Customer shall submit to the Bank all forms, documents and evidence relating to a Mortgage Loan that the Bank may require, in form and substance satisfactory to the Bank.
- 5.2** The Customer must inform the Bank of any change in the information provided by the Customer at the time of making an initial Request for a Mortgage Loan or any other customer identification or due diligence documentation previously delivered to the Bank, including (without limitation) any changes to the Customer's name, identification documents, address, telephone numbers, constitutional documents, shareholding structure, beneficial ownership and the powers of any Authorised Signatories. The Customer must provide the Bank with any additional forms, documents and other evidence relating to such changes as the Bank may request, in form and substance satisfactory to the Bank. Any changes shall only be effective when actually received and accepted by the Bank.
- 5.3** The Customer must promptly inform the Bank if:
- (a) the Customer becomes unemployed or loses the primary source of the Customer's income; and
 - (b) the Customer has lost or will shortly lose residency status in the UAE.
- 5.4** Subject to applicable law, the Bank may in its sole and absolute discretion, by notice to the Customer, vary the rate of interest on a Mortgage Loan.
- 5.5** Any Mortgage Loan made available to the Customer cannot exceed the limit approved by the Bank.

6 Joint Borrowers

- 6.1** A joint mortgage loan is a Mortgage Loan that is borrowed by two or more persons ("**Joint Borrowers**") who together borrow a Mortgage Loan (a "**Joint Mortgage Loan**").
- 6.2** Unless expressly agreed otherwise, the operation of a Joint Mortgage Loan shall require the signature of each Joint Borrower or the relevant Joint Borrower's Authorised Signatory.
- 6.3** Each Joint Borrower shall be jointly and severally liable to the Bank for repayment and satisfaction of all Liabilities owing or incurred under a Joint Mortgage Loan. The liability of any one of the Joint Borrowers shall not be discharged or affected in any way by:
- (a) the invalidity, voidability, or unenforceability of any obligation owed to, or guarantee or security granted in favour of, the Bank in respect of the Joint Mortgage Loan;
 - (b) the release of or making of any other arrangement with any other Joint Borrower or third party; or
 - (c) the amendment or extension of any Liabilities owing or incurred under the Joint Mortgage Loan.
- 6.4** In the event of the death, loss of legal capacity, dissolution, bankruptcy or insolvency or occurrence of any similar event affecting a Joint Borrower, each other Joint Borrower shall notify the Bank no later than ten (10) days of the occurrence of such event. The occurrence of such an event shall constitute an Event of Default under Clause 17.1.

7 Conditions Precedent

7.1 The Bank is not obliged to make a Mortgage Loan available unless:

- (a) the Bank has received all the Conditions Precedent relating to that Mortgage Loan in form and substance satisfactory to the Bank;
- (b) no Event of Default has occurred;
- (c) no other event has occurred, and no information has been received by the Bank, which in the Bank's absolute opinion would make it inadvisable or undesirable for a Mortgage Loan to be made available; and
- (d) after making such Mortgage Loan available, the Loan to Value Ratio in respect of that Mortgage Loan would be equal to or less than the level agreed between the Bank and the Customer.

7.2 If the Conditions Precedent are not satisfied or waived by the Bank within thirty (30) days of the Bank issuing an Offer Letter for a Mortgage Loan, that Offer Letter shall be cancelled.

8 Payments

8.1 The Customer agrees to pay all applicable fees, costs, charges and expenses of the Bank in connection with the provision of a Mortgage Loan. Details of such fees, costs, charges and expenses are set out in the relevant Offer Letter, the relevant Request or the Schedule of Charges. The Schedule of Charges is available at the Bank's branches, on the Bank's website or otherwise upon request.

8.2 When due, the Customer authorises the Bank to debit the relevant Account of the Customer with the amount of any applicable fees, costs, charges, expenses, interest or commission set out in the relevant Offer Letter, the relevant Request or the Schedule of Charges.

8.3 All amounts paid to the Bank are non-refundable and may not be applied as credit against any other amount due to the Bank.

8.4 The Customer shall repay a Mortgage Loan by paying the relevant Instalment on each Payment Date. The Customer may not re-borrow any part of a Mortgage Loan which is repaid but the Bank may, upon the Customer's request, agree to the amount of a Mortgage Loan being increased from time to time. Any such request shall be subject to the procedures and policies of the Bank at the relevant time.

8.5 Interest shall accrue on a Mortgage Loan Amount at the rate specified in the relevant Offer Letter and shall be calculated on the basis of the actual number of days elapsed during an Interest Period and a year of 365 days, unless otherwise stated or agreed by the Bank.

8.6 The Customer shall pay interest accrued on any Mortgage Loan Amount on each Payment Date.

8.7 On the Maturity Date of a Mortgage Loan, the Customer shall pay the outstanding Mortgage Loan Amount, accrued and unpaid interest together with any other Liabilities due in respect of that Mortgage Loan.

8.8 Where a Payment Date falls on a day other than a Business Day, the Customer shall make payment of any Liabilities due on that Payment Date on the following Business Day in the same calendar month or, if there are no remaining Business Days in that calendar month, the preceding Business Day.

- 8.9** The Customer agrees to make all payments in respect of a Mortgage Loan in the currency of that Mortgage Loan. If any payment is made in any other currency, the Bank reserves the right to convert such currency to the currency of the relevant Mortgage Loan subject to the Bank's prevailing exchange rate on the date the payment is credited to the relevant Account. Any payment made will be credited to the relevant Account only on the date that the Bank actually receives the required funds.
- 8.10** A cheque shall be an acceptable form of payment of any amounts due in accordance with these Master Mortgage Loan Conditions. Any payment by cheque shall only be considered as having been received by the Bank upon the proceeds of such cheque being credited to the relevant Account. The Bank may charge the Customer a fee specified in the Schedule of Charges for any cheque presented by the Customer and which is returned unpaid.
- 8.11** The Customer may make a payment of any amounts due in accordance with these Master Mortgage Loan Conditions by way of direct debit from an account with the Bank. The amount to be debited on the Payment Date shall be the amount specified by the Customer at the time of applying for a Mortgage Loan or the amount specified by the Customer in writing or through instructions given to the Bank. If there are insufficient funds in the account specified by the Customer at the time the direct debit is effected, the Customer authorises the Bank to overdraw that account for the required amount so as to make the direct debit payment.
- 8.12** The Bank may at any time demand that the Customer provides security cheques, pledge over a deposit and/or any other collateral as security for the Liabilities incurred in respect of a Mortgage Loan. The Customer authorises the Bank to present any security cheque for payment towards any Liabilities then due in respect of a Mortgage Loan.
- 8.13** If the Customer fails to pay any amount when due under the Mortgage Loan Documents, the Customer shall pay:
- (a) interest on such overdue amount at the Default Interest Rate which will accrue from the due date for payment of the overdue amount up to the actual date of payment, on the basis of a year of 365 days; and
 - (b) in respect of each overdue Instalment, the late payment charge specified in the Schedule of Charges.
- As set out in the General Conditions, the Bank is not entitled to charge interest on accrued interest by operation of law and nothing in the General Conditions or these Mortgage Loan Conditions shall be construed, interpreted or applied in such a manner.
- 8.14** If the Customer repays a Mortgage Loan in full prior to the Maturity Date, in addition to paying the outstanding Mortgage Loan Amount, accrued and unpaid interest and any other Liabilities due in respect of that Mortgage Loan, the Customer may also be required to pay an early settlement fee in the amount set out in the Schedule of Charges.
- 8.15** If the Customer pays an amount that is less than the Mortgage Loan Amount by the Payment Date, such amount shall be applied in the following order:
- (a) first, in discharge of any unpaid fees, costs or expenses of the Bank;
 - (b) secondly, in discharge of any accrued interest; and
 - (c) finally, in discharge of the remaining part of the Mortgage Loan Amount.
- 8.16** The Customer agrees that the Bank has the right to visit or, authorise any Delegate (in or outside the UAE) to visit, the Customer's place of residence or employment to discuss and/or

collect, any of the Customer's Liabilities that have become due. The Customer authorises the Bank to provide its Delegates with any information or documents pertaining to the Customer (including Confidential Information) and to take appropriate action on behalf of the Bank to collect such Liabilities. The Customer shall be liable to pay all costs of collections, including legal fees.

- 8.17** The Customer acknowledges and agrees that in circumstances where the interest rate is a variable interest rate, the aggregate of all Instalments due to the Bank may be more or less than the total Mortgage Loan Amount (plus accrued interest and other Liabilities due in respect of the Mortgage Loan). As such, the Bank may vary the frequency or amount of any Instalment(s) or extend the Maturity Date of a Mortgage Loan in order to ensure that, in aggregate, the Customer is required to repay the total Mortgage Loan Amount together with all accrued interest and any other Liabilities due in respect of that Mortgage Loan to the Bank. The Bank shall inform the Customer of any such rebalancing payments or extended dates it may require.

9 Payment Holiday

- 9.1** Following the submission of a Request by the Customer, the Bank may in its sole and absolute discretion agree to defer the payment by the Customer of all or part of an Instalment and include that portion of that Instalment in one or more subsequent Instalments or a separate Instalment falling due after the original Maturity Date.
- 9.2** The Customer acknowledges and agrees that the Bank may on not less than two (2) days' notice to the Customer defer the payment by the Customer of an Instalment unless the Customer notifies the Bank that the Customer does not agree to that deferral. Any such deferral may result in an extension of the Maturity Date.
- 9.3** Interest on the portion of any Instalment that is deferred in accordance with this Clause shall accrue on a daily basis from the date that the Instalment was originally due until repayment of that Instalment is made in full. Interest shall continue to accrue at the rate specified in the Schedule of Charges in respect of the outstanding balance and shall be debited from the relevant Account at the times determined by the Bank and notified to the Customer.
- 9.4** A fee calculated in accordance with the Schedule of Charges will be payable for each deferral of all or part of an Instalment and shall be debited from the relevant Account on or around the date such deferral becomes effective.
- 9.5** The Customer agrees that any deferral agreed by the Bank in accordance with this Clause is not a waiver of payment of any Liabilities.
- 9.6** The Customer acknowledges and agrees that, depending on the terms of the deferral agreed by the Bank, the amount of an Instalment may be increased and/or the Customer may pay more in interest or fees and/or it may take the Customer longer to discharge all Liabilities outstanding than otherwise may be the case.

10 Loan to Value

- 10.1** The Customer shall ensure that the Loan to Value Ratio in respect of a Mortgage Loan does not, at any time, exceed the level agreed with the Bank.
- 10.2** If the Loan to Value Ratio of a Mortgage Loan exceeds the level agreed between the Bank and the Customer, the Customer shall:

- (a) repay part of the Mortgage Loan; or
- (b) provide additional Security to the Bank in form and substance satisfactory to the Bank,

in each case, in an amount which would result in the Loan to Value Ratio being equal to or less than the agreed level.

11 Insurance

- 11.1** The Bank may arrange insurance for a Property covering the Insured Risks as well as life and disability insurance for the term of a Mortgage Loan, under which the Bank is named as the beneficiary.
- 11.2** If the Customer is not eligible for life and disability insurance cover arranged by the Bank, the Bank may require the Customer to separately obtain and maintain life and disability insurance in the Customer's own name for the term of the relevant Mortgage Loan, with the Bank specified as the sole beneficiary. The Customer shall provide the Bank with a copy of the relevant policy at the date of each renewal of such policy and evidence that the premium relating to such policy has been paid.
- 11.3** The Customer shall be responsible for payment of the premium in respect of any insurance policy that is required to be maintained by the Customer in accordance with these Master Mortgage Loan Conditions.

12 Valuations

- 12.1** The Customer shall promptly on demand pay to the Bank the costs of:
 - (a) any initial valuation supplied to the Bank as a Condition Precedent;
 - (b) any valuation obtained by the Bank following the issuance of a Mortgage Loan to the Customer;
 - (c) any valuation obtained by the Bank to verify the progress of any construction;
 - (d) any valuation obtained by the Bank in connection with the compulsory purchase of all or part of any Property; and
 - (e) any valuation obtained by the Bank at any time when an Event of Default has occurred or is likely to occur as a result of obtaining that valuation.
- 12.2** The Customer shall promptly provide all necessary assistance to the Bank and the relevant valuer in connection with the preparation of any valuation.
- 12.3** The Customer must promptly supply to the Bank a copy of any valuation of a Property obtained by the Customer.

13 Undertakings

- 13.1** The Customer shall not at any time:
 - (a) sell, assign, transfer, part with possession of or otherwise dispose of in any manner, all or part of, or any interest in, any Property; or
 - (b) create or grant any interest in any Property in favour of a third party,

in each case, without the prior written consent of the Bank.

- 13.2** The Customer shall ensure that all Properties and all other assets or property which are the subject of Security in connection with a Mortgage Loan remain free from any encumbrances, save for encumbrances created in favour of the Bank or specifically approved by the Bank in writing.
- 13.3** The Customer shall not without first having obtained the prior written consent of the Bank, lease any Property that is classified by the Bank as being occupied by the Customer or otherwise allow any part of that Property to be occupied by anyone other than the Customer and the Customer's immediate family.
- 13.4** The Customer shall ensure that no structural changes are made to any Property other than as part of the construction of a Property in accordance with the relevant sale and purchase agreement or building contract or with the prior written consent of the Bank.
- 13.5** The Customer shall not remove fixtures or fittings from a Property where such removal is likely to detract from the value of that Property unless those fixtures and fittings are replaced with fixtures and fittings of comparable or better quality.
- 13.6** The Customer shall ensure that all Properties are used only for their designated purpose and in accordance with all applicable laws and shall not permit any action on a Property which could have a material adverse effect on the value of that Property or the interests of the Bank.
- 13.7** The Customer shall keep all Properties and all fixtures and fittings in good repair and condition and comply with all notices and orders served on the Customer by any governmental or municipality in respect of repairs, public utilities or otherwise.
- 13.8** The Customer shall promptly pay (or procure payment of) all maintenance, service, utility and community fees and charges, together with all taxes, duties and costs payable in relation to the ownership or occupation of any Property.
- 13.9** The Customer shall permit the Bank or its agents access to any Property for the purposes of inspecting the condition of that Property and to immediately remedy all defects notified to the Customer by the Bank.
- 13.10** The Customer shall promptly advise the Bank on becoming aware that an event has occurred which may have a material adverse effect on the ability of the Customer or any Security Provider to perform their respective obligations under any Mortgage Loan Document.
- 13.11** At the request of the Bank and at the cost of the Customer, the Customer shall:
 - (a) register any Property in the Customer's name; and
 - (b) register any Mortgage in favour of the Bank,with the relevant Land Department.
- 13.12** At the request of the Bank and at the cost of the Customer, the Customer shall ensure that the title deed in respect of the relevant Property is delivered to and remains in the custody of the Bank until all Liabilities in respect of the relevant Mortgage Loan have been paid in full and the Mortgage relating to that Mortgage Loan has been released.

14 Construction Mortgage Loan

- 14.1** Funding of a Construction Mortgage Loan shall be made in accordance with the payment schedule in the relevant sale and purchase agreement or building contract and shall be conditional upon receipt by the Bank of a milestone certificate issued by a valuer setting out the progress of construction of a Property and in form and substance satisfactory to the Bank.
- 14.2** The Bank reserves the right to suspend the availability of a Construction Mortgage Loan and withhold payments due to the Seller or Contractor (as applicable) if the Bank, in its absolute discretion believes:
- (a) the construction of a Property is suspended or not proceeding in accordance with the construction milestones and/or payment timetables set out in the relevant sale and purchase agreement or building contract; or
 - (b) there is a breach or default by any party under the relevant sale and purchase agreement or building contract; or
 - (c) any Event of Default has occurred.
- 14.3** The Bank will only release the final payment under a Construction Mortgage Loan when the Bank is satisfied in its absolute discretion that the relevant Property is complete and ready for handover and that legal title to the relevant Property shall be registered in the Customer's name simultaneously with a Mortgage being granted over the relevant Property in favour of the Bank.
- 14.4** Upon completion of a Property, the Customer shall, at the Customer's own cost:
- (a) immediately arrange for that Property to be inspected and ensure it is ready for handover; and
 - (b) do all things necessary to complete handover and transfer the ownership of that Property to the Customer.
- 14.5** If the Customer receives payment of any amount in connection with a sale and purchase agreement or a building contract, the Customer shall pay such amounts to the Bank and those amounts shall be used by the Bank to reduce the Mortgage Loan Amount.
- 14.6** The Customer shall:
- (a) observe and perform all obligations and enforce all rights under any sale and purchase agreement or building contract; and
 - (b) notify the Bank immediately of any action or demand by the Customer against a Seller or Contractor under a sale and purchase agreement or building contract (as applicable).

15 Investment Mortgage Loan

- 15.1** The Customer shall ensure that any lease agreement to be entered into in connection with an Investment Property that is the subject of an Investment Mortgage Loan shall:
- (a) be approved in writing if required by the Bank; and

- (b) contain a condition that the Investment Property must only be used for residential purposes and shall not be let to or occupied by anyone other than the tenant and the tenant's immediate family members.

15.2 The Customer shall ensure that any tenant occupying an Investment Property shall abide by the terms of the relevant lease agreement.

15.3 If required by the Bank, the Customer shall enter into a management agreement (in form and substance satisfactory to the Bank) in respect of an Investment Property under which the Customer shall irrevocably authorise a member of the FAB Group or a property manager approved by the Bank to:

- (a) manage that Investment Property; and
- (b) collect all Rental Proceeds relating to that Investment Property and pay such Rental Proceeds into an Account held by the Customer with the Bank.

16 Statements

16.1 The Bank shall provide a statement to the Customer for each Mortgage Loan made available by the Bank at such intervals as the Bank may decide.

16.2 Unless otherwise requested by the Customer, statements shall be delivered by electronic mail to the Customer's registered electronic mail address in the Bank's records, by encrypted electronic mail through the Bank's Electronic Banking Services or any other electronic means. It is the Customer's responsibility to set up, maintain and regularly review the security arrangements concerning access to and use of the Customer's electronic mail and internet systems. Any statement delivered electronically will be deemed to constitute a statement as required by applicable law and shall, for all purposes, satisfy the Bank's obligations to deliver to the Customer such a statement.

16.3 In circumstances where the Bank determines it is not reasonably practicable to deliver statements to the Customer electronically, the Bank may deliver such statements in any manner it considers appropriate.

16.4 It is the Customer's responsibility to review each statement (and acknowledge receipt where required by the Bank to do so) and notify the Bank of any discrepancy within thirty (30) Business Days of receiving it, failing which the statement shall be deemed to be correct (subject to the Bank's right to rectify any error) and accepted by the Customer. The Customer may not thereafter raise any objections to the statement and the statements maintained by the Bank as to the status of the Customer's Mortgage Loan shall be conclusive and binding on the Customer.

16.5 The Bank shall be entitled to rectify any error in any statement.

16.6 It is the Customer's responsibility to notify the Bank if the Customer does not receive a statement or is otherwise unable to access a statement within thirty (30) days of the date on which the statement should have been received or made available to the Customer. The Bank shall not be liable for the Customer's non-receipt or late receipt of statements.

16.7 The Bank may suspend the delivery of statements if it has grounds for believing that the Customer is not receiving such statements.

17 Events of Default

17.1 Each of the following shall constitute an event of default (an “Event of Default”):

- (a) the Customer fails to make payment on the due date of any amount due and payable under any Mortgage Loan Document;
- (b) any of the following parties:
 - (i) the Customer or any Security Provider with respect to any Mortgage Loan Document;
 - (ii) the Customer or any property manager with respect to any management agreement; or
 - (iii) a party to a sale and purchase agreement or building contract, breaches or threatens to breach any covenant, undertaking, term, condition or provision with respect to that Mortgage Loan Document, management agreement, sale and purchase agreement or building contract (as applicable) and fails to remedy any such breach or threat of breach within the time period stipulated by the Bank;
- (c) any Security entered into in connection with a Mortgage Loan is compromised, not in full force and effect or does not create in favour of the Bank the security interest it is expressed to create with the ranking and priority it is expressed to have;
- (d) any information or documents submitted by the Customer or any Security Provider for the purposes of obtaining or maintaining a Mortgage Loan, is incorrect or misleading or any acknowledgment, undertaking or Mortgage Loan Document entered into by the Customer or any Security Provider is or becomes invalid;
- (e) the Customer or any Security Provider is declared bankrupt, insolvent or liquidated or either the Customer or any Security Provider commits an act which constitutes grounds for an application for the Customer’s or Security Provider’s bankruptcy or enters into a composition or arrangement with, or makes a general assignment for the benefit of, the Customer’s or Security Provider’s creditors;
- (f) where the Customer has provided a Salary Transfer Letter as a Condition Precedent:
 - (i) the Customer changes employer, without providing the Bank with a new Salary Transfer Letter addressed to the Bank in form and substance acceptable to the Bank in its absolute discretion; or
 - (ii) the whole or part of the Customer’s salary is transferred to any other person without the prior written consent of the Bank;
- (g) the Customer loses residency status in the UAE;
- (h) the Customer or any Security Provider fails to pay on the due date any amount payable by the Customer or such Security Provider under any other agreement, facility or arrangement with the Bank or with any other creditor;
- (i) an attachment order is issued against any property or assets of the Customer or any Security Provider;
- (j) legal proceedings, suits or actions of any kind whatsoever (civil or criminal) are instituted against the Customer or any Security Provider;

- (k) the Customer or any Security Provider becomes unemployed, dies, loses legal capacity or loses their primary source of income;
- (l) any event or series of events occurs which, in the opinion of the Bank, may affect or prejudice the Customer's or any Security Provider's ability or willingness to comply with their respective obligations under any Mortgage Loan Document;
- (m) it becomes unlawful for the Customer, any Security Provider or any property manager to perform or comply with their respective obligations under any Mortgage Loan Document;
- (n) the Loan to Value Ratio is greater than the level agreed between the Bank and the Customer in connection with a Mortgage Loan;
- (o) the Customer is in arrears of any levies, fees or taxes in respect of a Property for more than sixty (60) days;
- (p) in the Bank's sole opinion, a Property is in a serious state of disrepair or is irreparably destroyed or damaged;
- (q) a management agreement is cancelled, repudiated or terminated for whatever reason;
- (r) a sale and purchase agreement or building contract is cancelled, repudiated or terminated for whatever reason; and
- (s) during construction of any Property:
 - (i) the construction is not progressing in accordance with the relevant sale and purchase agreement or building contract or any applicable building regulations; or
 - (ii) in the Bank's sole opinion, there is undue delay in carrying out the construction.

17.2 Upon the occurrence of an Event of Default, and at any time thereafter, the Bank may:

- (a) declare all Liabilities in respect of a Mortgage Loan to be immediately due and payable whereupon all such Liabilities shall become immediately payable;
- (b) declare any unutilised portion of a Mortgage Loan to be cancelled whereupon the same shall be cancelled;
- (c) invoke all legal remedies available to the Bank in any jurisdiction, including, without limitation, enforcement of any Mortgage Loan Document;
- (d) date and present for payment any cheque received as a Condition Precedent;
- (e) retain any assets of the Customer in the Bank's possession until the Bank is satisfied that all of the Customer's Liabilities due to the Bank are (or will be) irrevocably and unconditionally discharged; or
- (f) appoint any member of the FAB Group or other third party as the Bank deems appropriate to manage the Property, including:
 - (i) marketing the Property;
 - (ii) leasing the Property;

- (iii) issuing notices to tenants or occupants of the Property;
- (iv) collecting and receiving rental proceeds from the Property;
- (v) collecting, receiving and releasing deposits in connection with any tenancy agreement with respect to the Property;
- (vi) engaging third parties to perform maintenance or repairs to the Property;
- (vii) paying management, maintenance, repair or similar fees, costs and expenses from the rental proceeds in relation to the Property;
- (viii) deducting the fees and charges for management of the Property from the rental proceeds in relation to the Property; and
- (ix) applying to the relevant court in the UAE for granting any order that is necessary or desirable in connection with managing the Property,

in each case, without further notice to the Customer or resorting to any further formal action, whether legal or otherwise.

18 Variation

- 18.1** Subject to the applicable law, the Bank may at any time vary the terms and conditions applicable to any Mortgage Loan, its Schedule of Charges and these Master Mortgage Loan Conditions (and such amendments may impose additional obligations on the Customer). Notice of any such amendments shall be given by the Bank in any manner the Bank deems sufficient to bring notice of the amendments to the attention of the Customer, including (without limitation) by updating any printed versions of such terms and conditions, Schedule of Charges or Master Mortgage Loan Conditions made available at the Bank's branches or uploading the amended terms and conditions, Schedule of Charges or Master Mortgage Loan Conditions to the Bank's website or otherwise making such amended terms available electronically. The Customer acknowledges and agrees that the period of notice of a variation may vary depending on the nature of the variation, however, in all cases, the Bank shall comply with applicable law when implementing any variation, including as to the period of notice provided.
- 18.2** Any amendments made by the Bank in accordance with this Clause shall be effective from the date specified by the Bank.
- 18.3** By continuing to borrow a Mortgage Loan, the Customer shall be deemed to have accepted the terms and conditions applicable to that Mortgage Loan as in force at the relevant time.
- 18.4** If the Bank varies any applicable terms and conditions in accordance with this Clause and the Customer (a) does not agree to such changes and (b) notifies the Bank within 30 days of notice of such variation, the Customer may settle the Mortgage Loan in full on the next Payment Date.

19 Governing Law and Jurisdiction

- 19.1** These Master Mortgage Loan Conditions, including any non-contractual obligations arising out of or in connection with them, shall be governed by the laws of the UAE.
- 19.2** The Bank and the Customer agree to the exclusive jurisdiction of the courts of the UAE to settle any dispute arising out of or in connection with these Master Mortgage Loan

Conditions, any Mortgage Loan or other transaction or matter between the Bank and the Customer, provided that the Bank may bring proceedings in any other jurisdiction (inside or outside the UAE and including, without limitation, the Abu Dhabi Global Market) if it deems appropriate.

19.3 The Customer irrevocably waives all immunity (whether on the grounds of sovereignty or otherwise) that the Customer or any of the Customer's assets or revenue may otherwise have in any jurisdiction from:

- (a) the service of any process against the Customer or the Customer's assets;
- (b) any proceedings (whether for an injunction, specific performance, damages or otherwise) that the Bank may bring against the Customer or the Customer's assets;
- (c) any attachment of the Customer's assets (whether before or after judgment); and
- (d) any execution of a judgment against the Customer,

and, in each case, shall ensure that neither the Customer nor any person acting on the Customer's behalf will raise, claim or cause to be pleaded any such immunity at, or in respect of, any such action or proceeding.

Glossary

Conditions Precedent:	The conditions set out in an Offer Letter which the Customer must satisfy before the Bank makes a Mortgage Loan available.
Construction Mortgage Loan:	A Mortgage Loan that is made available for the purposes of funding the construction of a Property.
Contractor:	The contractor appointed by the Customer and approved by the Bank to carry out the construction of a Property.
Default Interest Rate:	The default interest rate set out in the relevant Offer Letter or in the Schedule of Charges.
Event of Default:	Has the meaning given to that term in Clause 17.1.
Instalment:	The payments of the principal and any other amounts in respect of a Mortgage Loan to be made by the Customer on the Payment Dates specified in the relevant Offer Letter.
Insured Risks:	The risks that the Bank requires a Property to be insured against from time to time, including, without limitation, fire, damage, natural disasters and civil commotion.
Interest Period:	In respect of a Mortgage Loan, the period specified in the relevant Offer Letter where: (a) the first Interest Period commences on the date the Mortgage Loan is first borrowed and ends on the first Payment Date; (b) each subsequent Interest Period commences on the day immediately following a Payment Date and ends on the next Payment Date; (c) if any Interest Period would otherwise end on a day which is not a Business Day, it shall instead end on the following Business Day in the same calendar month or, if there are no remaining Business Days in that calendar month, the preceding Business Day; (d) if an Interest Period commences on a day for which there is no numerically corresponding day in the month in which it is due to end, it shall end on the last Business Day of that month; and (e) an Interest Period that would otherwise terminate after the Maturity Date shall be shortened to end on the Maturity Date.
Investment Mortgage Loan:	A Mortgage Loan that is made available in connection with an Investment Property.
Investment Property:	A Property that is subject to a lease.
Land Department:	The land department or other competent authority in the Emirate in which a Property is located which is responsible for maintaining the land register in that Emirate.

Loan to Value Ratio:	In respect of a Mortgage Loan and as of any date, the ratio (expressed as a percentage and subject to a minimum of zero) of the total amount of Liabilities outstanding under that Mortgage Loan to the market value of the Security granted by the Customer and/or any Security Provider to the Bank in respect of that Mortgage Loan, in each case as such amount and market value may be determined by the Bank in its absolute discretion.
Maturity Date:	The date specified in the Offer Letter or such other date specified by the Bank on which that Mortgage Loan is to be repaid in full.
Mortgage:	A mortgage granted over a Property by the Customer or a Security Provider in favour of the Bank to secure the Customer's Liabilities in respect of a Mortgage Loan.
Mortgage Loan:	A loan made available to the Customer by the Bank in accordance with these Master Mortgage Loan Conditions.
Mortgage Loan Amount:	At any time, the outstanding principal amount of a Mortgage Loan.
Mortgage Loan Document:	These Master Mortgage Loan Conditions, the General Conditions, any Request, any Offer Letter, any Security Document, any management agreement and any other document designated by the Bank as a Mortgage Loan Document.
Offer Letter:	The offer letter issued by the Bank to the Customer for a Mortgage Loan.
Payment Date:	The date on which an Instalment is to be paid, as specified in the relevant Offer Letter.
Property:	The real estate property specified in the Offer Letter relating to a Mortgage Loan.
Rental Proceeds:	The aggregate of all amounts payable to the Customer in connection with the letting of any part of an Investment Property.
Salary Transfer Letter:	A letter from the Customer's employer confirming that the Customer's salary shall be paid directly into an account held by the Customer with the Bank.
Security:	Any guarantees and/or security specified in an Offer Letter and as the Bank may require thereafter from time to time from the Customer or any Security Provider to guarantee and/or secure the Customer's obligations in respect of a Mortgage Loan.
Security Document:	Any Mortgage, guarantee or other security document specified in an Offer Letter as well as any other document required by the Bank to be executed to guarantee and/or secure the Customer's obligations in respect of a Mortgage Loan.
Security Provider:	Any third party providing Security to the Bank in connection with the Customer's obligations in respect of a Mortgage Loan.
Seller:	The developer or seller of a Property, as specified in the relevant sale and purchase agreement.