

<p><b>PRODUCT DISCLOSURE SHEET</b></p> <p>Kindly read and understand this Product Disclosure Sheet together with the general terms and conditions governing the product before you subscribe to the following Interest Free Banking Product: <b>Bai’-Selam-i</b>.</p>	<p>Bank of Abyssinia SC</p> <p><b>Bai’ Selam-i</b></p> <p>Date: _____</p> <p><b>[To be filled in by Sales/Branch Personnel]</b></p>
<p><b>1. What is this product about?</b></p>	
<p>This financing product refers to a type of financing through which the Bank pays the full contract price of goods/commodities in advance at the time of contract for the purchase of goods/commodities that will be delivered by the customer/supplier at a specified time/date in the future. The Bank sells the same goods/commodities to a customer/third party through an independent second Bai’ Salam Agreement.</p>	
<p><b>2. What is the Shariah concept applicable?</b></p>	
<p>The Shariah concept applicable is Bai’ Selam financing. This product is used to address the short term working capital requirements of farmers/producers/manufacturers of Goods/Commodities tradable on market. Purchase price in Bai’ Salam shall be fully advanced to the seller/customer at the commencement of the contract. The specification and characteristics of the output shall be determined as accurately as possible at the time of the contract, only minor variation is tolerated. The Bank shall agree with customer/supplier on the specifications, quantity, date of delivery, place of delivery of goods/commodities before the signing Bai’ Salam Agreement. Bai’ Salam arrangement shall not be used as a buy back facility where the seller in the first contract is also the purchaser in the second.</p>	
<p><b>3. What do I get from this product?</b></p>	
<p>You will be relieved of your short term working capital deficit through this mode of financing. In addition, you are at an advantage since the mark- up profit agreed will not be changed till the end of financing period. You will also be entitled to flexible tenure which will range from one to three years or depending on the production cycle of the business. Based on your proposal on how to pay the debt (lump sum payment, down payment, installment period, repayment period, source of income, collaterals, etc), the Bank may surrender a certain portion of the accumulated profit.</p>	
<p><b>4. What are the other key terms and conditions of this product that I should know?</b></p>	

- It is necessary for the validity of the Bai-salam that the buyer pays the price in full to the seller at the time of affecting the sale.
- Only those goods can be sold through a salam contract in which the quantity and quality can be exactly specified.
- The goods/commodities in Bai' Salam Agreement shall have stable price and it shall be available in the market place throughout the period of Bai' Salam Agreement,
- All details in respect to quality of goods sold must be expressly specified leaving no ambiguity, which may lead to a dispute.
- It is necessary that the quantity of the commodity is agreed upon in absolute terms. It should also be measurable in or weighted in its usual measurer only,
- It must also be ensured that the commodity is possible to be delivered when it is due.
- Due date of delivery shall be agreed at the commencement of the contract.
- The place of delivery shall be known.
- Before delivery, goods will remain at the risk of seller/customer.
- After delivery, risk will be transferred to the purchaser/Bank.
- Possession of goods can be physical or constructive.
- The duration of Bai' Salam Agreement shall be a production cycle or twelve months, whichever is shorter and the date of delivery of Goods/Commodities of Bai' Salam Agreement shall be at least one month from the date of finance/disbursement;
- The client will be obliged to offer dependable collateral as security.

#### **5. What are the fees and charges I have to pay?**

Customer is required to pay the fees and charges fees as set out in term and tariff of the bank for this product. If there are any changes in fees and charges that are applicable to your facility, the Bank will notify you at least 30 calendar days prior to the effective date of implementation.

#### **6. What are the risks involved?**

You are advised to carefully consider the following risk factors before entering in to sales contract;

- Price and cost Risk;
- Non-Delivery Risk;
- Marketing consideration Risk;
- Late Delivery Risk.

#### **7. What do I need to do if there are changes to my contact details?**

It is important that you inform us of any change in your contact details to ensure that all correspondences reach you in a timely manner.

#### **8. Where can I get assistance and redress?**

If you wish to get any support or send your feedback on the products or services provided by us, you may contact us at :

Bank of Abyssinia SC

Interest Free Banking

Belay Zeleke Street, Besides Addis Ababa Police Station

Belay Zeleke Building

12947 Addis Ababa, Ethiopia.

Tel: +251-111-264887/+251-111-265728/ +251-111-265229/+251-111-265406

Fax: +251-111-265512

E-mail: [intersefreebanking@bankofabyssinia.com](mailto:intersefreebanking@bankofabyssinia.com)

Web: [www.bankofabyssinia.com](http://www.bankofabyssinia.com)

You may also contact our customer contact center at:

Toll Free Line: 8397 or Tel : +251-116-686140/+251-116-686988

### **9. Where can I get further information?**

If you have any enquiries, please contact us at:

Bank of Abyssinia SC

Interest Free Banking

Belay Zeleke Street, Besides Addis Ababa Police Station

Belay Zeleke Building

Ad12947 Addis Ababa, Ethiopia.

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### **10. Other Financing Products Available**

- Murabaha Financing
- Qard Financing