**Product Features**

**Product Feature / Benefits / Unique Selling Points:**

* Flexible tenure from 1 to 5 years\*
* Security deposit as low as 30%\*\*
* Fixed and variable pricing option
* Vehicle replacement option
* Co-party financing and clubbing of income option
* No upfront Takaful charges
* No upfront registration charges
* No rental before the delivery of vehicle

**\*1-3 years for vehicles >1000 cc**

**1-5 years for vehicles <=1000 cc**

**\*\* Min 30% for <= 1000 cc**

**Min 30% for >1000cc**

**Product Types**

* Fixed Rate Financing
* Variable Rate Financing
* Residual Value (RV) Financing
* Roshan Apni Car

**Target Market**

* Salaried Individuals (Permanent / Contractual)
* Self Employed Individuals

1. Proprietorships, Partners, Family Concern Business and Directors of the Companies
2. Lawyers, Chartered Accountants, Consultants, Doctors, IT Professionals, Architects Engineers, etc.

* Branch Banking / X-Sell Customers
* Others

1. Individuals with regular Rental Income
2. Individuals having Foreign Remittances,
3. Individuals having Saving/fixed deposits and/or Term deposit (only Lien based)
4. Retired individuals i.e. Individuals who are getting regular pension
5. Auto Finance for Roshan Digital Account Holders

**Eligibility Criteria**

* All Pakistani Nationals (including non-resident Pakistanis)
* Residents residing in the cities where Bank Alfalah branch exists
* **Age limit:**

|  |  |  |  |
| --- | --- | --- | --- |
| **Segment** | **Sub-Category** | **Minimum** | **Maximum** |
| **Salaried** | Government Employees | 21 years | 60 years (at time of Maturity of Facility) |
| Private Sector Employees | 21 years | 65 years (at time of Maturity of Facility) |
| **Self-Employed   / Pensioners / Landlords / Term deposit / Lien marked / Rental based / Foreign   Remittance:** | | 21 years | 70 years (at time of Maturity of Facility) |

* **Years in Employment / Business\***

|  |  |
| --- | --- |
| **Segment** | Minimum Employment Experience |
| **Salaried Permanent** | Currently employed, with a total employment experience of 03 months |
| **Salaried Contractual** | Currently employed, with total employment experience of 06 months. |

* Must meet the minimum income requirement as per policy

**Documentation Required**

* Complete application form with customer’s signatures
* Copy of CNIC/NICOP/POC/Smart ID
* Two latest photos
* Copy of salary slip (salary individual)
* 6 months bank statement (should be signed and stamped by Bank)
* Income verification report from PBA, approved income evaluator in case bank statement is not available
* Proof of business (in case of SEP/SEB)
* SBP Undertaking

**Documents for RDA Holder:**

For RDA holders documents already provided at the time of Roshan Digital Account opening shall be considered for the Auto Finance facility. If customer applied for auto Finance facility after 6 months of RDA opening then fresh documents will be obtained.

* CNIC
* Salary Certificate / Salary Slip
* Tax Returns (if required) for salaried individuals
* Tax Returns
* Documentary Business Proof including Professional Registrations (for SEB/SEP)
* Remitter Job / Income Proof
* Remitter Passport Copy
* 6 months remittance slips / 6 months Bank Statement of Remitter

**Transactional Information**

It includes Type of Vehicles, min & max financing amount;

Locally Manufactured Vehicles (New/Used)

* Minimum of Rs. 0.200 million with maximum of Rs. **Rs. 3.0 million.**
* Note: Financing of Rs 0.300 million (3 Lacs) and less will not be allowed for less than 36 months tenure.

**FAQs**

**What is Alfalah Car Ijarah?**Alfalah Car Ijarah is simply a rental agreement under which the car is given to the customer on rent for a period agreed at the time of the contract. The customer is required to deposit an initial amount (security deposit) with the Bank. Upon completion of the lease period the customer has two options either to return the car and take away the security deposit or take ownership of the car against his/her security deposit or any other agreed amount via separate sale transaction.

**How is Alfalah Car Ijarah interest free?**Alfalah Car Ijarah works on the principles of Ijarah and complies with the requirement of a valid Ijarah transaction. In this the asset remains in the ownership and risk of the Bank, and the customer only pays rent for the use of the asset; just like house rent. The product features and agreements are carefully designed as per the rules of Ijarah and have been reviewed and approved by Bank Alfalah Islamic’s Shari’ah Board.

**Can I pay the late payment charges on my own and submit the receipt to the Bank?**At present this option is not available. All late payment charges are credited to a Charity Account maintained at the head office and is directly supervised by the Shari’ah Board of the Bank so you can be assured that your charity is used for the right cause.

**Is balloon payments allowed?**Balloons payments are not allowed.

**What is the Takaful arrangement in Alfalah Car Ijarah??**Alfalah Islamic being the owner of the car is responsible for Takaful of the car and for payment of Takaful contribution. In this regard, Bank Alfalah covers the car from reputable Takaful companies using the Islamic mode of Insurance (Takaful) and pays Takaful contribution as part of its ownership expense.

**What is Takaful or Islamic Insurance?**The word Takaful is derived from the Arabic word Kafala, which means to guarantee; to help; to take care of one’s needs. Takaful is a system of Islamic insurance based on the principle of Ta’awun (mutual assistance) and Waqf. It is a pact among a group of members who agree to jointly guarantee themselves against loss or damage to any one of them as defined in the pact. Takaful is operated on the basis of shared responsibility, brotherhood, solidarity and mutual cooperation or assistance, which provides for mutual financial security and assistance to safeguard participants against a defined risk.

**Will I be required to pay my rentals in case of theft/ total loss of Car?**In Ijarah transactions, the customer pays the rent for the use of the asset and in cases of theft or total loss the rentals will be stopped immediately. The Bank (Lessor) in such cases can only take the proportionate rent for the actual number of days for which the asset was used; unlike the conventional leasing practice where the rental payments continue even after theft or total loss. The customer is required to immediately (or as soon as possible) inform the Bank about the incident.

**What will be the procedure if I want to purchase car from the Bank during the Ijarah tenure?**Vehicle, under the Ijarah facility, may be purchased during the Ijarah tenure by the customer, utilizing/executing the ‘Undertaking to Purchase’ against the respective month and latest outstanding rentals. Customer would be required to settle all outstanding rentals, termination price, cheques return charges, and charity amount due to delay in payment of rentals; prior to taking delivery of the vehicle.

**What will be my responsibilities in case of theft/ total loss?**Following a major accident or theft of the vehicle(s), the Customer is required to submit a written report to the Bank, informing about the incident. The report should be received by the Bank through proper mailing channels. Customer is also required to provide the documents required by the Takaful Company along with the original FIR.

**What events will be treated as negligence on my part?**Any act or failure to act, with regards to the Ijarah agreement executed between the Bank and the Customer, shall be treated as negligence on my (customer’s) part. For instance;

* Compliance with the Federal, Provincial, Municipal and local laws,
* Vehicle to be operated as per the Takaful (Islamic insurance) policy covering the vehicle,
* Vehicle operated by suitably trained personnel,
* Vehicle will not be driven by a person without a valid license, etc.

**What will be the treatment of Security Deposit in case of termination of facility due to theft/ major accident?**In case of termination of Ijarah facility due to theft/major accident, the security deposit will be refunded to the customer after netting off the following amounts: • Outstanding rentals due till the time of incident. Bank will charge the rental for all those days when asset was in the use of Customer up to the incident. • Any shortfall in Takaful claim due to negligence of the Customer such as late intimation to Bank and the Takaful/ company, non-provision of required document(s), violation of ljarah agreement such as sub-letting the vehicle(s) etc. • Cheque return charges • Charity amount due to delay in payment of rentals • Any other amount due from the Customer