|  |
| --- |
| ASSET PURCHASE AGREEMENT |
| DATED ­­­­­­­­­­­­­­­\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_2012 |
| BETWEEN  AL HILAL BANK  (AS PURCHASER)  AND  [SELLER]  (AS SELLER)  [CUSTOMER]  [(AS CUSTOMER)][[1]](#footnote-2) |
|  | |

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This**ASSET PURCHASE AGREEMENT** (the “**Agreement**”) is made on this \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 2012 by and:

**BETWEEN:**

1. **Seller:**

|  |  |
| --- | --- |
| **For Individuals:** | **holder of passport no**: [●], having address at [●] |
| **For Corporate Entity:** | [●], a [●] company, established in accordance with the laws of the [●], having its registered address as P.O.Box [●], represented by its authorized signatory [●] |

(hereinafter referred to as the "Seller", which expression shall include his successors, legal representatives and assigns);

1. Customer[[2]](#footnote-3):

|  |  |
| --- | --- |
| **For Individuals:** | **holder of passport no**: [●], having address at [●] |
| **For Corporate Entity:** | [●], a [●] company, established in accordance with the laws of the [●], having its registered address as P.O. Box [●], represented by its authorized signatory [●] |

(hereinafter referred to as the "Customer", which expression shall include his successors, legal representatives and assigns);

AND

1. **Purchaser:**

**Al Hilal Bank PJSC**, a company established and existing under the laws of United Arab Emirates, having address at [●] (hereinafter referred to as the "**Purchaser**", which expression shall include his successors, legal representatives, transferees and assigns),

(each a “**Party**” and together the “**Parties**”).

**RECITALS:**

Whereas:

The [Seller/Customer][[3]](#footnote-4) and Purchaser have signed a Common Terms Agreement dated as of the date of this Agreement (the “**Common Terms Agreement**”).

The Seller wishes to sell the Share (as defined here-below) to AHB on the terms and conditions set out in this Agreement.

**NOW THEREFORE**, in consideration of the foregoing and the provisions set forth below, and subject to the terms and conditions set forth herein, the Parties agree as follows:

1. DEFINITIONS AND INTERPRETATION
   1. Definitions

Except as otherwise expressly provided in this Agreement capitalised terms used in this Agreement and not otherwise defined herein shall have the meanings given to such term in the Common Terms Agreement. In addition, the following terms have the meanings given below:

**“Share”** means the undivided percentage ownership interest in the Asset acquired by AHB under this Agreement,as specified in Schedule 1.

“**Asset**” means [the property or other asset described in Schedule 1.

"**Governing Law**" means the Governing Law stated in Clause 21.1

“**Proceedings**” means any suit, action or proceedings arising out of or in connection with this Agreement.

“**Purchase Date**” means the date of this Agreement.

“**Purchase Price**” means AED [●].

* 1. Interpretation

Unless a contrary indication appears, the Interpretation set out in the Common Terms Agreement shall mutatis mutandis apply to this Agreement as if expressly set out herein.

1. SALE AND PURCHASE
   1. The Seller hereby sells the Sharepursuant to the terms and conditions of this Agreement and the Purchaser purchases the Share free from all liens, charges, Encumbrances and all other rights exercisable by any third party for the Purchase Price.
   2. The ownership and possession of the Asset, together with its associated rights, shall vest in the Purchaser immediately upon signing this Agreement.
   3. The Parties agree that for the time being and until the further order of the Purchaser, the registered title to the Share will not be registered / transferred in the name of the Purchaser in the official records of any Land Registry (where relevant) and the Seller agrees to hold the Share as the agent of the Purchaser hereunder. The Parties expressly declare and agree that notwithstanding the lack of registration of the registered title to the Share with any Land Registry(where relevant), as between the Seller and the Purchaser, this Agreement is valid, legal and binding, both under Governing Law and under principles of Shariah. The Seller further acknowledges that the Purchaser has become the owner of the Share and the Purchaser may, dispose of the Share, manage and invest the same in all aspects. The Seller also shall not, without the prior written consent of the Purchaser, do any deed or act making any change in the title of the Asset or the transfer of this title to third parties or make any lien, lease or any procedure whatsoever on the Asset for third parties. The Seller shall indemnify the Purchaser against any actual damages that may be sustained by the Purchaser as a result of his breach of the terms and conditions of this Clause 2.3.The Seller shall, pursuant to this clause, hold the registered title to the Share as the title agent of the Purchaser until such time the Purchaser instructs the Seller in writing to transfer the registered title of the Share to the Purchaser or its nominee, as the Purchaser may deem appropriate.
2. WARRANTIES AND Undertakings

The Seller warrants that:

* 1. The Seller, if a corporate entity, is a duly incorporated, validly existing corporation under the laws of the place of its incorporation[[4]](#footnote-5).
  2. All relevant consents, approvals or authorizations of the concerned governmental authorities, local or federal ministries or departments required in connection with the execution, validity or enforceability of this Agreement have been obtained and are valid and are still valid and subsisting, and this Agreement constitutes a legally binding and enforceable obligation on the Seller and is within the Seller’s powers, and has been duly authorized.
  3. The Seller is solvent and no event of insolvency however described has been started, threatened or occurred[[5]](#footnote-6).
  4. It is in compliance with all material relevant applicable laws and regulations.
  5. To the best of the Seller's knowledge, information and belief all information given to the Purchaser by the Seller in connection with this Agreement is true and correct at the time the information is given.
  6. The Seller shall comply in all respects with all laws to which it may be subject.
  7. The Seller has all necessary authority and power to enter into this Agreement and to carry out the transaction contemplated hereby. The execution, delivery and performance by the Seller of this Agreement and the exercise of the Seller’s rights and performance of his obligations hereunder have been duly authorized by all necessary actions.
  8. This Agreement constitutes the valid and binding obligation of the Seller, enforceable against the Seller in accordance with its terms and conditions. The execution, delivery and performance by the Seller of this Agreement do not, and the performance by the Seller of the transaction contemplated hereby, will not:
     1. violate the Governing Law or other jurisdiction applicable to the Seller or require Seller to obtain any approval, consent or waiver of, or make any filing with, any person or entity (governmental or otherwise) that has not been obtained or made; or
     2. result in a violation or any breach of, constitute a default (or an event which with notice or lapse of time or both would become a default) under, result in the acceleration of any indebtedness under or performance required by, result in any right of termination of, increase any amounts payable under, decrease any amounts receivable under, change any other rights pursuant to, or conflict with, any material contract, agreement, lease, license, permit, franchise or other instrument or obligation to which Seller is a party or by which it or its Asset is bound; or
     3. result in the creation or imposition of any lien, charge, encumbrance or restriction upon the Asset or any part thereof.
  9. Except for any Encumbrances favouring the Purchaser it has good title to the Asset and on signing this Agreement, the Seller transfers good and valid ownership to Asset to the Purchaser, free and clear of any Encumbrances or rights of others of any kind or nature whatsoever. The Seller also acknowledges that he has acquired the Asset without any dispute from any third party
  10. It is the sole owner of the Asset and shall be responsible for any action initiated by third parties. It has the right to sell, dispose and transfer the Asset to the Purchaser according to the principles of Shariah and on the terms and conditions set out in this Agreement. The seller further warranties any hidden defects in the Asset and acknowledges that it will be responsible for all the matters that may result from the invalidity of its acts.
  11. There is no legal, administrative, arbitration or other proceeding, or any governmental investigation, current or pending or, to the knowledge of Seller, threatened against or otherwise affecting Seller, or its Asset or any part thereof, and Seller is not aware of any fact that might reasonably be expected to form the basis for any such proceeding or investigation relating in any way to Seller.
  12. It will, at its own cost and expense, execute and do (or procure to be executed and done by any other necessary party) all such deeds, documents, acts and things (including but not limited to the registration of the title of the Asset in the name of the Purchaser in any Land Registry (where relevant), the payment of the whole registration fees or execute other conveyance documents in accordance with the Governing Law) as the Purchaser may from time to time require in order to vest the Asset in the Purchaser or its assignee or as otherwise may be necessary to give full effect to this Agreement.
  13. The Seller makes further warranties that the Asset is in good condition, suitable and fit for the purpose for which the Purchaser intends to purchase, especially as to the following:
      1. the design and condition of the Asset (as a whole) or any part of the Asset;
      2. the durability and fitness for the particular purpose of the Asset or any part thereof or any item attached and installed to the Asset;
      3. the quality of the material or workmanship of the Asset or any part thereof; and
      4. all other matter concerning , any item of the Asset or any part thereof.
  14. The Purchaser will be entitled to claim actual losses and/or damages incurred by it from the Seller in case of misrepresentation or breach of any of the above representations, warranties and undertakings.
  15. The Seller shall attend before any Land Registry (where relevant) and all the official entities and departments to sign all the documents in respect of the Asset title registration either personally or by its legal representative.
  16. In case the state takes over the Asset after the ownership has passed onto the Purchaser under this Agreement then any in-kind or cash compensation paid in lieu of such acquisition shall be the sole entitlement of the Purchaser without any dispute from the Seller
  17. The Seller hereby irrevocably empowers the Purchaser to dispose of the Asset and manage the same until the procedures of the Asset title registration to the Purchaser or any other person specified by the Purchaser are completed

1. Consideration

The Purchase Price to be paid by the Purchaser in consideration of the sale of the Shareshall be payable in accordance with the provisions of Clause 6 below.

1. DELIVERY OF THE ASSET

On the Purchase Date:

* 1. the Purchaser shall pay the Purchase Price, referred to in Clause 4,in accordance with the provisions of Clause 6 below; and
  2. the Seller shall deliver the ownership and possession of the Shareand transfer the rights, title and interest to the Purchaser.

1. PAYMENT

Unless otherwise agreed by the Seller and Purchaser, the Purchase Price shall be paid by credit to the [Seller’s/Customer’s][[6]](#footnote-7) account with the Purchaser.

1. REIMBURSEMENT AND COMPENSATION
   1. Indemnity

## The Seller shall on demand fully reimburse, compensate and hold harmless the Purchaser and each of its officers and duly appointed representatives (each, a "Compensated Person") for any and all actual obligations, liabilities, losses, costs, expenses, fees (including legal fees and expenses incurred in connection with any enforcement of this Agreement), damages, demands, actions and judgments of every kind and nature imposed on, incurred by, or asserted against such Compensated Person arising out of (in each case, without duplication and excluding any breach by such Compensated Person of its obligations under this Agreement and any wilful default or gross negligence of such Compensated Person) any failure on the part of the Seller to perform or comply with any term of this Agreement (including, without limitation, any breach by the Seller of any representation or warranty).

* 1. Notice and third party rights
     1. The Seller shall give each Compensated Person prompt notice of any occurrence or condition actually known to it as a consequence of which any Compensated Person is entitled to reimbursement or compensation. The reimbursement and compensation provided in this Clause 7 shall specifically apply to and include claims or actions brought by or on behalf of employees of the Compensated Persons. The provisions of this Clause 7 are expressly made for the benefit of, and are enforceable by, each Compensated Person.
     2. The Seller is not entitled to claim for itself or any of its assets immunity from any proceedings, suit, execution, attachment or other legal process in its jurisdiction of incorporation or any other country and the execution of this Agreement by the Seller and the Seller's exercise of its rights and performance of its obligations hereunder will constitute private and commercial acts done and performed for private and commercial purposes and the Seller acknowledges that the transactions contemplated by this Agreement are commercial transactions Subject to Law No. 10 of 2005 and Article 247 of Federal Law No. 11 of 1992, to the extent that the Seller may claim for itself or its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that such immunity (whether or not claimed) may be attributed to the Seller or its assets or revenues, the Seller agrees not to claim and irrevocably and unconditionally waives such immunity in relation to any Proceedings. Further, subject to Law No. 10 of 2005 and Article 247 of Federal Law No. 11 of 1992, the Seller irrevocably and unconditionally consents to the giving of any relief or the issue of any process, including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment made or given in connection with any proceedings[[7]](#footnote-8).

1. NO DEDUCTION
   1. The Seller shall make any payments to be made by it under Clauses 7.1 or 9 of this Agreement without any deduction or withholding for or on account of any Tax, or other charge or withholding of a similar nature, unless required by Governing Law. If any such deduction or withholding is required by Governing Law to be made by the Seller, the amount of the payment due from the Seller shall be increased to an amount which (after making such deduction or withholding) leaves an amount equal to the payment which would have been due if no such deduction or withholding had been required.
   2. If the Seller is required to make any deduction or withholding for or on account of any Tax, the Seller shall make that deduction or withholding and any payment required in connection with that deduction or withholding within the time allowed and in the minimum amount required by Governing Law. Within thirty (30) days of making either a deduction or withholding or any payment required in connection with that deduction or withholding, the Seller shall deliver to the Purchaser evidence reasonably satisfactory to the Purchaser that the deduction or withholding has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.
2. TAXES AND EXPENSES

The Seller shall bear all applicable Taxes (including, without limitation, registration fees and other Taxes), stamp duties, fees, costs and expenses incurred in connection with or incidental to the execution, delivery, registration, performance, release, discharge, amendment, enforcement, attempted enforcement or otherwise of, or provision of consents or waivers or the preservation of any rights under, this Agreement.

1. SET-OFF

The Purchaser shall be entitled to set-off against its obligations to pay the Purchase Price amount under Clause 6, against its right to receive sums from the Seller under any other agreement (s), if any. The Purchaser shall advise the Seller of such set off.

1. TIME OF ESSENCE

Time, wherever mentioned, shall be of the essence for the performance of the obligations of the Seller under this Agreement.

1. ASSIGNMENT

The Seller shall not be entitled to assign or transfer any of its rights or obligations under this Agreement. The Purchaser shall be entitled, to transfer all or part of its rights, benefits and obligations under this Agreement to any third party without the Seller’s consent.

1. SEVERABILITY

Any term, condition, stipulation, provision, covenant or undertaking of this instrument which is illegal, prohibited or unenforceable in any jurisdiction shall as to such jurisdiction be ineffective to the extent of such illegality without invalidating the remaining provisions hereof and any such illegality or unenforceability in any jurisdiction shall not invalidate or render illegal, void or unenforceable any such term, condition, stipulation, provision or undertaking in any other jurisdiction.

1. PARTIAL INVALIDITY

If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under the Governing Law, , the legality, validity or enforceability of the remaining provisions of this Agreement will not in any way be affected or impaired.

1. APPROPRIATE FORUM

The Seller irrevocably waives any objection which it might now or hereafter have to the courts referred to in Clause 21.2 being nominated as the forum to hear and determine any Proceedings and to settle any disputes and agrees not to claim that any such court is not a convenient or appropriate forum.

1. NOTICES
   1. Any communication to be made under or in connection with this Agreement shall be made in writing and, unless otherwise stated, may be made by fax or letter.
   2. The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Agreement is that identified with its or his name in this Agreement or, in each case, any substitute address, fax number, or department or officer as a Party may notify the other in writing, if a change is made by a Party by not less than five Business Days' notice.
   3. Any communication or document made or delivered by one person to another under or in connection with this Agreement will only be effective:
      1. if by way of fax, when received in legible form; or
      2. if by way of letter, when it has been left at the relevant address or 5 Business Days after being deposited in the post postage prepaid in an envelope addressed to the relevant Party at the relevant address,
      3. and, if a particular department or officer is specified as part of its address details provided under this clause, if addressed to that department or officer.
   4. Any communication or document to be made or delivered to Purchaser will be effective only when actually received by the Purchaser and then only if it is expressly marked for the attention of the department or officer identified in in paragraph 16.7 of this clause (or any substitute department or officer as the Investment Agent shall specify for this purpose).
   5. Any notice given under or in connection with this Agreement shall be in Arabic or English.
   6. All other documents provided under or in connection with this Agreement shall be:
      1. in Arabic or English; or
      2. if not in Arabic, and if so required by Purchaser, accompanied by a certified Arabic translation and, in this case, the Arabic translation will prevail unless the document is a constitutional, statutory or other official document.
   7. For the Seller : [●]

[●]

Fax: [●]

For the Purchaser: [●]

[●]

Fax: [●]

1. BINDING AGREEMENT
   1. This Agreement shall be binding upon and enure to the benefit of each party and its or any of its subsequent successors and permitted assigns.
   2. The rights, liabilities and/or obligations created by this Agreement shall continue to be valid and binding for all purposes notwithstanding any change in name or change by amalgamation, reconstruction, reorganisation, restructuring or otherwise (where applicable) which may be made in the constitution of any Party and it is expressly declared that no change of any kind in relation to or affecting the Seller shall in any way affect the liabilities and/or obligations created hereunder in relation to any transaction whether past, present or future.
2. AMENDMENT OR WAIVER
   1. No amendment, modification or termination of any provision of this Agreement shall be effective unless the same shall be in writing and signed or executed by the Purchaser and the Seller. No waiver of, or consent to any departure by the Seller from, any provisions of this Agreement shall be effective unless the same shall be in writing and signed or executed by the Purchaser and then any such waiver or consent shall be effective only in the specific instance and for the specific purpose for which it was given. No notice to or demand on the Seller in any case shall entitle the Seller to any other or further notice or demand in similar or other circumstances unless otherwise required herein.
   2. No failure to exercise, nor any delay in exercising, on the part of the Purchaser, any right or remedy under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by Governing Law.
   3. Where two or more persons constitute the expression the Seller, 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 hispersonal representatives, successors and/or assigns jointly and severally.
3. ENTIRE AGREEMENT

This Agreement and any document or instrument attached hereto or referred to herein integrate all the terms and conditions mentioned herein or incidental hereto and supersede all prior writings with respect to the subject matter hereof.

1. COUNTERPARTS

This Agreement is executed in two counterparts, and each counterpart has the same effect as if the signatures on that counterpart were on a single copy of this Agreement.

1. GOVERNING LAW AND JURISDICTION
   1. Governing law

This Agreement shall be governed by the laws of the United Arab Emiratesto the extent that these laws do not conflict with the principles of Shariahas set out in the Shariah Standards published by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) and as interpreted by the Fatwa and Shariah Supervisory Board of the Purchaser, in which case the principles of Shariah shall prevail.

* 1. Jurisdiction

The courts of theUnited Arab Emirateshaveexclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement and the Seller submits to the exclusive jurisdiction of such courts. However, the Purchaser shall have the right to bring any such dispute in any other relevant jurisdiction.

**This Agreement has been entered into on the date stated at the beginning of this Agreement.**

SCHEDULE 1  
DETAILS OF THE ASSET

1. **Details of the Asset**

[●]

1. **Share**

[●]% undivided ownership interest in the Asset.

**EXECUTION PAGE OF THE AGREEMENT**

|  |  |
| --- | --- |
| **Signed by**  **the SELLER**  **[Customer]** | **)**  **)**  **)**  **)** |

|  |  |
| --- | --- |
| **Signed by**  **the PURCHASER**  **Al Hilal Bank** | **)**  **)**  **)**  **)** |

1. Delete if customer is seller [↑](#footnote-ref-2)
2. delete if seller is customer [↑](#footnote-ref-3)
3. delete as appropriate [↑](#footnote-ref-4)
4. *Applicable only for corporate entity.* [↑](#footnote-ref-5)
5. *Applicable only for corporate entity.* [↑](#footnote-ref-6)
6. Delete as appropriate [↑](#footnote-ref-7)
7. Applicable only for corporate entity. [↑](#footnote-ref-8)