

IPO (Initial Public Offering) Finance - Terms & conditions

Note: DFM (Dubai Financial Market) / ADX (Abu Dhabi Securities exchange) NIN (National Investor Number) / Brokerage account are Mandatory to Subscribe.

Customer Segment Eligibility

Financing is offered to existing or potential customers who want to avail Islamic Facility to participate in IPOs of companies listed in UAE local markets.

Eligible customers

Individual:

Above 21 years UAE/GCC national and other resident expatriate as per issuing company's prospectus (to be authorized to obtain finance from the bank)

Companies/ Entities

Companies / Entities authorized to obtain finance from the bank and authorized to invest in the stock market.

Acceptable contribution

cash Contribution

Customer will deposit the contribution in form of cash and customer contribution will be under lien in the account along with finance amount the full settlement of customer's facilities (including the fees)

Deposits

Customer contribution in the form of Deposit with Ajman Bank which will be held under lien till the full settlement of customer's facilities (including the fees)

Acceptable Shares

Acceptable shares as per Ajman Bank list: 50% of the shares market value marked in lien in favour of Ajman Bank with one of the approved brokerage firm or pledged in the financial market.

IPO Service Fee

Option 1: Up to 0.25% of the financing amount, to be paid upfront
Option 2: Up to 5% of the allocation amount, to be paid post allocation of shares.

Minimum customer contribution Finance Ratio

AED 50,000

The maximum limit will be 1:5 times

Customer contribution	Finance multiples	Finance amount	Total Application
100,000	5x	500,000	600,000

Maximum Leverage

Maximum Leverage per Client is **AED 100 Million**.

Finance Tenor

Up to 21 Calendar days or until the Finance is settled (whichever is earlier)

**Facility
Repayment**

- a. Customer pays cash / Cheque and settles his account (money coming from refund).
- b. Position are liquidated and money is recovered (in case of FD)
- c. Client converts the utilized amount to secured share finance

For individuals:

Documentation

- IPO Proposal Form – to be signed by RM, Client and BM/Head
- Key Facts Statement
- Cooling Off Waiver – as per Consumer Protection
- Information Disclosure Form – as per Consumer Protection
- DMCC Murabaha Agreement, Appendix 10 & Appendix 11
- Authorization Letter to attach the account
- Undertaking letter to debit the account
- DFM (Dubai Financial Market) /ADX (Abu Dhabi Securities Exchange) Pledge Forms (for Shares contribution)
- Personal Identification documents (valid passport copy, family book in case of UAE nationals, and valid residence visa for residence).
- All KYC documentation has to be adhered to as per prevailing KYC policy matrix.
- **For Companies / Entities**

All stated above beside the followings:

- Copy of the Trade License, Partnership Agreement or Memorandum & Articles for self-employed professionals to be collected with 'Original Seen' attestation. The trade license should be valid for at least 30 days at the time of approval.
- In Sole proprietorship / Partnership / LLC / Free zone companies etc, valid passport copy and visa copy of the authorized signatory as per company mandate/ POA with 'Original seen' attestation is to be collected along with the Passport copy (original seen not mandatory) of Local sponsor/Sleeping partner.
- Institution to dedicate an authorized person(s) to avail the facility on behalf of the institution and to sign all the required documents and to trade on the stock market on behalf of the institution (in some of the cases the authority might be given to dedicated person(s) through the Memarts or Power of Attorney if not a resolution to borrow and sign the facility documents is required to be signed from all the partners).

Participating Branches

Emirate	Branch Name	Address
Ajman	Main Branch	Al Ettehad Street, Next to Etisalat Building, Mushairef – Ajman
Ajman	Khalifa Branch	A&F Towers- Sheikh Khalifa Bin Zayed ST- Ajman
Sharjah	Buhaira Branch	Ground Floor, Zahrat El Madaen Tower, Corniche street, next to starbucks – Al Sharjah
Al Ain	Al Ain Branch	Subway – Ajman Bank Building, near Sheikh Khalifa Bin Zayed ST – Abu Dhabi
Abu Dhabi	Dalma Mall Branch (TCA)	Inside Dalma Mall, 1st Floor – Al Wazn ST-Abu Dhabi
Abu Dhabi	Khalidiya Branch	Inside Dalma Mall, 1st Floor – Al Wazn ST-Abu Dhabi
Dubai	Jumeirah Branch	Zia medical center building – Jumeirah – Dubai
Dubai	Sheikh Zayed Road Branch	Ground Floor, Eiffel Boulevard Limited Building , Sheikh Zayed Road , Dubai
Ras Alkhaima	RAK Branch	Next to Health first pharmacy – E11 – Al Nadiyah – Ras Al Khaimah