



Key Definitions and Profit Terms

The Company is a private joint stock company formed under the Companies Law and is licensed by the Securities and Commodities Authority to manage Profit Sharing Investment Accounts (hereinafter referred to as PSIA or NBC Sukuk as the context may require).

The NBC Sukuk is structured on the basis of Mudaraba and accordingly, the PSIA Manager shall act as the **Mudareb** in relation to the proceeds generated from the Sukuk Certificates by the investment account holders (hereinafter to be referred to as the Sukuk Holders). The PSIA Manager shall manage the proceeds of the Mudaraba in a Sharia compliant manner (as determined by Sharia Supervisory Board) and in accordance with the considerations set out in the **Master Client Agreement Terms and Conditions** (available on the official website) and any applicable **Additional Terms and Conditions** and subject to compliance with all applicable laws, regulations and directives.

In addition to the terms of the **Information Memorandum and the Master Client Agreement** these **Additional Terms and Conditions** for the Sukuk Type (the “Product Terms”) shall apply to the Sukuk Type issued by National Bonds Corporation Sole Proprietorship PSC (the “Company”).

The Product Terms outlining the specifics of the each Sukuk type to be read in conjunction with the **Information Memorandum & Master Client Agreement** issued by the Company and made available on its official website.

Profit Calculation Weightages Based on Sukuk Types and Period Method: Detailed in Shari'a Pronouncement (reference: 32/2020/SP/NBC) made available on the official website.

Profit Distribution Policy means the profit distribution policy in relation to the NBC Sukuk and the Sukuk Type, the mechanism to distribution between the PSIA Manager as the Mudareb and the Sukuk Holders published through the Additional Terms and Conditions on the website of the Company and / or the PSIA Manager.

Distributable Profits, in any Financial Year, the **Sukuk Holder Profit Entitlement** and the **PSIA Manager Profit Entitlement** shall be calculated by reference to the **Profit-Sharing Ratios** for the Reference Period and subject to the Additional Terms and Conditions (specific to the Sukuk Type) in relation to the Sukuk Type and in accordance with the Profit Distribution Policy. Currently the profit-sharing ratio of **PSIA Manager Profit Entitlement to Sukuk Holder Profit Entitlement** stands at **80:20**

Anticipated Returns: As per actual return determined in accordance with the Master Client Agreement and the Profit Distribution Policy

Applicable Profit Distribution and Entitlement shall apply to the Sukuk Type issued by National Bonds Corporation Sole Proprietorship PSC (the “Company”).

NATIONAL BONDS CORPORATION SOLE PROPRIETORSHIP P.S.C. is a private joint stock company operating under the regulation, control, and supervision of the Securities & Commodities Authority of the UAE (“SCA”) under Category 2 & Category 5. For more information, please refer to our website www.nationalbonds.ae