

IJARAH (LEASING) - FINANCIAL LEASING CONTRACT CUSTOMER INFORMATION FORM

This form was issued for the purpose of providing information to the client under the scope of the communiqué¹ of Banking Regulation and Supervision Agency (BRSA).

1. Contract Type: Ijarah (Leasing) - Financial Leasing

2. Basic Features of the Contract:

Financial leasing (leasing) is one of the types of ijarah.

Financial leasing is a lease contract in which there is a promise that ownership of the leased asset will be transferred to the lessee at the end of or during the lease term, independently from the lease contract. The transfer of ownership to the lessee will be made in accordance with the principles and standards of interest-free finance.

Financial leasing contract entails that; the lessee, lessor, the nature and price of the asset subject of the contract must be specific and comply with the principles and standards of the interest-free banking, and also that the parties have presented a declaration of intent (offer and acceptance).

3. Compliance of the Product or Service with the Principles and Standards of Interest-Free Banking:

The legitimacy of financial leasing is based on the basic principles of Islamic law. The transactions made by the participation banks under this scope comply with the principles and standards of interest-free banking.

4. The Capacity of the Customer under the Scope of the Contract:

In the financial leasing contract, the customer shall be acting under the capacity of a lessee and the participation bank shall be acting under the capacity of a lessor. Furthermore, the customer shall be acting under the capacity of a buyer and the participation bank shall be acting under the capacity of a seller, when the promise of sale is realized at the end of the term of lease.

5. Process and Functioning:

The specifications of the good subject to financing must be specified on documents such as proforma invoice/offer or order form/title deed etc.

The customer submits its request for financing the good to the participation bank. Participation bank allocates a limit for the customer. Customer chooses the good that it needs and concludes a financial leasing contract with the participation bank for the purchase. Participation bank buys the good and delivers it to the customer and then pays its price to the seller. The bank retains the ownership of the good that the customer utilizes during the period of time set forth in the financial leasing contract. The customer pays the rental charges to the participation bank on the initially agreed maturity dates with the bank. When the payments are completed, the ownership of the good may be transferred to the customer at the agreed price.

The good subject to financial leasing may also be purchased from the lessee itself. This method is called “sell & lease back” and the lessor (bank) signs a financial leasing contract with the lessee as far as sell & lease back transactions are concerned, and lessee transfers its right of ownership of the good

to the bank and the bank pays the sale price to the lessee. The lessee pays the rental charges to the participation bank on the initially agreed maturity dates with the bank. The lessee may take over the ownership of the product subject of financial leasing under the terms and conditions specified in the contract at the end of the term of contract.

6. Contractual Rights and Obligations of the Parties:

The customer agrees and declares that it will make the payments for financing under the scope of the payment scheme prepared specifically for the financial leasing.

Participation bank is responsible for the payment of the price of the good to the seller after the relevant transactions are duly made.

Lessee has the right to derive every benefit whatsoever from the good subject to the financial leasing in conformity with the purpose of the contract throughout the term of the contract.

If agreed on in the contract, the bank is obliged to transfer the leased good to the lessee in consideration for the price agreed on.

The lessee is obliged to use the leased good carefully as specified in the terms and conditions stipulated in the contract and is responsible for all kinds of maintenance and protection of the good.

7. Rights and Obligations Arising from the Agency Contract (Wakala):

Participation bank may appoint and assign the customer or a third person as its agent for the purpose of making the transactions related to the purchase of the goods subject to financial leasing in the name of the participation bank.

In addition, the customer may be appointed as the agent of the participation bank in all matters related to the finding, selection, purchase, loading, transportation, delivery of the said goods and other goods.

In the transactions to be carried out based on a power of attorney, there must not be a prior contract between the first seller and the customer concerning this transaction before the participation bank has appointed the customer as its agent and that the good must not be delivered to the customer, that no payment should be made to the seller (advance payment, check, bond etc.) and that no documents (invoice, dispatch note etc.) related to do purchase and sale should be issued by the seller in favor of the customer.

8. Bank practice in case of late payment:

It is in conformity with the principles of interest-free finance to insert an article imposing a delay penalty by the Participation Bank in case of the failure to pay the debts on due dates, however, the participation bank and customers may not benefit from these amounts which are collected as a delay penalty. These amounts collected shall be classified according to the uniform account scheme of the participation bank and evaluated in conformity with the principles and standards of interest-free banking.

9. Corporate Website through Which the Customer May Obtain More Comprehensive Information About the Products and Services:

You may have access to more comprehensive information about our products and services and permission (ijazah) certificates through the website of our Bank at www.ziraatkatilim.com.tr.

Information Form Delivery Date: / /

Ziraat Katılım Bankası A.Ş.
Trade Registration
Number: 962000

Headquarters Address: Hobyar Eminönü Mah. Hayri Efendi Cad. Bahçekapı No: 12 34112 Fatih/İstanbul
Central Registration System No: 0998-0793-1170-0015
Internet Address: www.ziraatkatilim.com.tr

Name/Surname/Title of the Customer :

Turkish ID Number/Tax ID Number :

(Information may be provided face-to-face and remotely through remote means of communication/in electronic environment/from a distance, and while providing information face-to-face, the expression **“I was provided verbal and written information and my declaration of intent has been received”** must be inserted and undersigned on the information form with your handwriting.)

Seal/Signature:

¹ Communique on the Principles and Procedures Concerning Providing Information to the Customers & Public under the scope of the Principles & Standards of Interest-Free Banking Published by Banking Regulation and Supervision Agency (BRSA) in the Official Gazette on November 30, 2021.