POLICY FRAMEWORK FOR CROSS-BORDER TRANSACTIONS

First Abu Dhabi Bank PJSC – India Branches
Version 1.0
Effective Date: 18th August 2026
Policy Owner: Transaction Banking

1. INTRODUCTION
First Abu Dhabi Bank PJSC, India Branches ("FAB India") is committed to providing transparent, fair, efficient and compliant cross-border transaction services to its customers.
This Policy Framework establishes the guiding principles, governance standards, documentation requirements, approval structure, processing timelines and customer service standards applicable to cross-border transactions processed by FAB India in accordance with:

- Foreign Exchange Management Act issued from time to time
- RBI Master Directions and Circulars
- FEDAI Rules
- FAB Group Policies and Procedures
- Any other applicable regulatory requirements issued from time to time

2. OBJECTIVE
The objective of this Policy is to:

1. Establish a consistent framework for processing cross-border transactions.
2. Define customer documentation requirements.
3. Ensure transparency of charges and processing timelines.
4. Provide escalation and grievance redressal mechanisms.

3. Scope
This Policy applies to all cross-border transactions processed by FAB India, including:
Inward Transactions

- Inward remittances
- Export realization proceeds
- FDI proceeds
- Capital account inward remittances
- Merchanting trade transactions

Outward Transactions

- Import payments
- Other Service remittances
- Capital account transactions
- Cross-border trade transactions
- Merchanting trade transactions

4. Customer Transparency Requirements
The Bank shall provide transparency regarding:

- Documentation requirements.
- Applicable charges and fees.
- Regulatory obligations.
- Processing timelines.
- Transaction status updates.
- Grievance escalation channels.

Customer requests shall be processed consistently and fairly in accordance with regulatory guidelines and internal controls.

5. Documentation Requirements

Any Exception cases/scenarios outside below guided purposes will be reviewed and advised on case-to-case basis and may be beyond agreed timeline.

Inward Remittances
Upon receipt of an Inward on behalf of the client, Bank shall reach out to the customer seeking necessary disposal request along with supporting documents for the Inward received on behalf of the customer.
Upon receipt of an intimation, client is expected to provide below listed documents and in case of conversion of Inward to INR, client needs to connect with the Treasury of the bank to book FX Rate.

Required documents:

- Disposal instruction contains amount and currency along with an instruction to transfer the funds. In case of conversion of the funds, client needs to explicitly state the same in the letter along with FX rate booked with the treasury.
- Purpose code as advised by RBI from time to time
- Supporting documents based on transaction purpose.
- FEMA Declaration

Outward Remittances (Other than Trade remittances, i.e. Capital as well as Current Account)
Required documents:

- Standard Request letter duly signed by the signatories updated in the Bank Records.
- Form A2 (as applicable)
- Invoice/Agreement and other Supporting documents, as applicable
- Form 145/146 (as applicable)
- Delay payment declaration (as applicable).
- Specific documents as prescribed for Capital Account transactions by RBI as well as Bank internal policy
- FEMA Declaration

Import Payments
Advance Remittance

- Standard Request letter duly signed by the signatories updated in the Bank Records
- Purchase Order/Performa Invoice
- Cases where Advance payment is Greater than USD200,000.00
    - Original BG / SBLC issued by Reputed Bank of the Supplier Country.
    - Supplier KYC duly issued by Overseas bank along with Credit Rating report
- IEC Copy
- Non Negative List declaration, confirming that goods to be imported are not part of Negative list issued by DGFT.
- In case, total outstanding Advance remittances made on behalf of the customer exceeds USD 2mn, where evidences of import goods are pending, any further Advance remittance would be subject to bank internal policy
- FEMA Declaration

Open Account/Collection/LC documents for Imports

- Commercial Invoice duly signed by the supplier
- Bill of Entry details (for NON EDI port original Importer BOE copy)
- For Sight Bill, Declaration from client stating that within 30 days from the date of goods cleared from the customs, Bill of entry will be submitted.

- Delay Payment Declaration (cases where payment is delayed for more than 6 months)
- High Seas Sales (HSS) Agreement (if applicable)
- Third Party Agreement (if applicable)
- In case of payment outstanding for more than 6 months/beyond agreed timeline, a declaration from the Supplier stating no Delay interest will be claimed against said remittance.

Export Transactions

- Shipping Bill details (for NON EDI Port Original Shipping Bill)
- Duly signed Export Invoice
- Supporting export documents
- Payment term should not cross beyond 9 months other than exceptional case.

Merchanting Trade Transactions

- Client to ensure that End to end transaction including both the leg is managed through same AD Bank without any exceptions.
- Any deviation/default by the client will be reported to RBI and case to case basis, client may be reported as part of the Caution list to RBI
- Client to ensure that Entire Merchanting Trade Transaction must be completed within 9 months from the date of shipment and there shall not be any outlay of Foreign Exchange beyond 4 months. the commencement of 9 months shall be the date of Shipment/Export receipt or Import payment, whichever is first.
- Client to ensure that Goods do not enter into India boarder.
- In case of Advance/Export Realisation of the funds, Bank will earmark the funds and will released to the customer only after remittance of Import leg.
- Client to ensure that underlying Trade should be profit making deal.

Documents required

- Client request letter duly signed by the signatories available in the Bank records
- Merchanting Trade Declaration
- Commercial Invoice of Import as well as Export
- Transport document, evidence movement of Goods from Importing country to an Exporting country
- Form A2
- FEMA declaration

6. Operational Controls

The Bank shall maintain:

- Maker-Checker controls.
- Segregation of duties.
- Automated monitoring systems.
- EDPMS and IDPMS reporting controls.
- Exception approval workflow.

7. Monitoring and Regulatory Reporting

The Bank shall:

- Report export transactions in EDPMS.
- Report import transactions in IDPMS.
- Report all FX transactions in FETERS.
- Track outstanding export dues.
- Monitor import evidence closure.
- Escalate overdue transactions

8. Processing Timelines (Customer Commitment)

Sr No	Product	Cut off	TAT
1	IMPORT Settlement (incl Advance remittances/Open Account)	1.30 PM IST	Same Day
2	EXPORT Realisation (Advance/Realisation of Bills)	1.30 PM IST	Same Day

3	Remittances other than Trade	1.30 PM IST	Same Day
4	Merchanting Trade Remittances	1.30 PM IST	Same Day

Subject to:

- Complete documents
- Compliance checks
- Currency cut-off timings
- FX availability

9. Approval Matrix

Scenario	Authority
Routine processing	Operations
Minor exception	Product Manager
Payment within prescribed timelines	Operations
Delayed payment / exception	Operations + Relationship Manager
FEMA regulatory exceptions	Designated Authority as per DOA

10. Charges and Customer Disclosures

- Charges shall be published in the Bank's Schedule of Charges.
- Charges shall be transparent and non-discriminatory.
- Customers shall be informed of applicable fees before processing.

Please refer to the below link to access the Schedule of Charges available on the FAB India webpage

Customer and Regulatory Disclosures | First Abu Dhabi Bank (FAB) - India

11. Customer Confirmation and Record Retention

- Customer confirmations shall be obtained, verified, and maintained in accordance with applicable regulatory and internal policy requirements to ensure authenticity, accuracy, and audit readiness of transactions.
- All transaction-related records and customer confirmations shall be appropriately retained and maintained as per policy requirements to support operational controls, regulatory compliance, and audit traceability.

12. Customer Grievance Redressal

We have a comprehensive Customer Grievance Redressal policy on the bank's website aimed at minimizing instances of customer complaints and grievances through proper service delivery & review mechanism; and ensures prompt redressal of customer complaints and grievances.

Please refer to the below link to access the Grievance Redressal Policy available on the FAB India webpage.

Customer and Regulatory Disclosures | First Abu Dhabi Bank (FAB) - India

13. Training and Quality Assurance

Bank employees are regularly trained for handling cross-border transactions and associated process compliances, including but not limited to

- FEMA requirements.
- AML/Sanctions.
- Cross-border transaction handling.

14. Escalation Matrix

At FAB, delivering exceptional customer service is fundamental to building long-term customer relationships and achieving sustainable business growth. As a customer-centric organization, we are committed to providing a seamless, efficient, and consistent banking experience across all customer touchpoints, with customer satisfaction remaining at the core of our operations.

In line with the regulatory requirements prescribed by the Reserve Bank of India (RBI), all customer complaints and grievances are addressed in a fair, transparent, and timely manner. RBI requires banks to establish a robust Customer Grievance Redressal framework to effectively manage customer complaints and ensure appropriate treatment of customers.

Accordingly, FAB has established a comprehensive **Customer Grievance Redressal Policy**, available on the Bank's website, which sets out the principles, governance framework, and processes for handling customer complaints. The policy is designed to minimize the occurrence of customer grievances through effective service delivery, ongoing monitoring, and periodic review mechanisms. It further ensures that all complaints are acknowledged, investigated, and resolved promptly, fairly, and in accordance with applicable regulatory requirements and the Bank's commitment to customer excellence.

Please refer to the below link to access the Grievance Redressal Policy available on the FAB India webpage.

Customer and Regulatory Disclosures | First Abu Dhabi Bank (FAB) - India

Policy Disclaimer

This Policy is intended to provides guidance on the governance, roles, responsibilities, and operational requirements relating to the subject matter covered herein. This Policy shall be read in conjunction with applicable laws, regulations, regulatory guidelines, and other FAB policies, procedures, and standards.

Nothing in this Policy shall override or supersede any applicable legal, regulatory, or statutory requirement. In the event of any inconsistency between this Policy and applicable laws or regulatory requirements, the latter shall prevail.

FAB reserves the right to amend, modify, suspend, or withdraw this Policy at any time without prior notice. Non-compliance with this Policy may result in disciplinary action and/or escalation in accordance with FAB's internal governance framework.