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البنك السعودي للاستثمار
The Saudi Investment Bank



Welcome to SAIB



SAIB has developed its strategic positioning through solid relationships with its corporate clients.

SAIB focuses on providing the highest possible quality of financial products and services to both private and public sector entities. It operates from three regional headquarters in Riyadh, Jeddah and Al-Khobar, covering the entire Kingdom.



Overview



We offer a bouquet of comprehensive Corporate Banking solutions to medium and large enterprises throughout the Kingdom of Saudi Arabia.

Our tailor-made solutions, personalized services, and solid financial expertise will help carry your business to a higher level of success.

Choose from a range of structured solutions that will enhance returns from your business.



Our Products



1. Commodity Murabaha for cash advances



2. Import Finance through letters of credit & Murabaha



3. Murabaha finance for working capital needs



4. Ijarah/Leasing of equipment and real estate



5. Istisna'a/Construction Finance of commercial, residential and industrial real estate units



1. Commodity Murabaha for cash advances



The Product is used for cash advances through the purchase & sale of metals:

- The banks buys commodities in specific quantity based on the customer's request and at target cost price
- The banks sells the commodities to the customer at cost plus profit on deferred payment terms
- The customer or its agent liquidate the commodities through the sale to the same broker or any other 3rd party

The following documentation is required:

- Facility Agreement is a master agreement that is signed one time to cover the general terms for all Shariah compliant facilities
- Commodity Murabaha Facility Agreement describing the specific terms and conditions of Murabaha transactions

The following are steps required for the execution of a transaction:

Step-1	The client submits the Form for Identification of Murabaha Assets.
Step-2	The bank sends a sale offer to the client with the cost plus profit and the repayment schedule.
Step-3	The bank purchases the commodities and achieves physical/constructive ownership before sale to the customer.
Step-4	The bank and customer execute a Murabaha sale contract.



2. Import Finance through letters of credit & Murabaha



The Product is used to finance import activities whereby goods are imported in the name of the bank through a documentary letter of credit:

- The bank purchases the goods/assets from a supplier through L/C opened by the bank. The customer may fill the L/C application due to full knowledge of the good, supplier and other terms
- Upon arrival of the goods (constructive or physical ownership), the bank offers the sale of goods to the customer describing the sale transaction and payment terms
- The goods/assets are sold to the customer (Murabaha contract is signed) upon the customer's acceptance of the sale transaction terms
- The bank may appoint the customer or any other party (for a fee) as agent for all matters related to the purchase and sale transactions

The following documentation is required:

- Facility Agreement is a master agreement that is signed one time to cover the general terms for all Shariah compliant facilities
- Murabaha Facility Agreement describing the specific terms and conditions of Murabaha transactions

The following are steps required for the execution of a transaction:

Step-1	The client submits the Form for recommending a transaction with details of the goods (attach copy of L /C).
Step-2	Upon receipt of Goods, the Bank sends Sale offer to the customer including sale price, profit and payment terms.
Step-3	Customer sends a confirmation of its acceptance to the sale terms and conditions.
Step-4 (Optional)	The Bank may appoint the customer or any 3rd party as agent to execute the purchase and sale.



3. Murabaha Finance (Goods & Real Estate)



The Product is used to finance the purchase of goods and real estate in order to be used by the customer in the production or the sale to a 3rd party.

- The bank purchases the assets from a supplier based on the client's documented request and undertaking to buy
- Upon transfer of the assets physical/constructive ownership to the bank the customer and the bank on agree on the sales terms
- A Murabaha contract is signed between the bank and the customer

The following documentation is required:

- Facility Agreement is a master agreement that is signed one time to cover the general terms for all Shariah compliant facilities
- Murabaha agreement describing the specific details of the transaction.

The following are steps required for the execution of a transaction:

Step-1	The client submits the Form for Identification of the Murabaha Assets and a Promise to Purchase request to the bank.
Step-2	The Supplier sends an offer to the bank with the relevant sales terms.
Step-3	The bank purchases the assets/goods from the supplier.
Step-4	Once the bank becomes the legal owner of the goods/assets, the bank and the client execute Murabaha transaction contract which specifies the sale terms.
Step-5 Schedule 5	The bank sends Delivery Instructions to the supplier authorizing delivery to the client.
Step-6 Schedule 5.2	The client confirms receiving the goods in full conformity with the specifications.



4. Ijarah (Equipment & Real Estate)



The Product is used to finance the leasing of assets/real estate owned by the bank to the customer. The leasing contract may end by transferring the ownership of the leased asset to the client if warranted in the lease contract.

- The bank purchases equipment/real estate once the customer submits an asset purchase request and a promise to lease the assets
- The bank executes a Leasing/Ijarah contract with the customer
- In the event the customer wishes to purchase the leased asset earlier than the term of the Lease contract, an early Ownership Contract must be executed between the bank and the customer
- Once the customer fulfills all the obligations of the Lease Contract, the bank may execute a contract to transfer the leased asset to the customer

The following documentation is required:

- Facility Agreement is a master agreement that is signed one time to cover the general terms for all Shariah compliant facilities
- Ijarah contract describing the specific terms of the transaction

The following are steps required for the execution of a transaction:

Step-1	Customer submits a request to the bank for leasing a specific asset.
Step-2	Once the bank accepts the leasing request, the bank purchases the assets from the Supplier.
Step-3	The bank may send a request to cancel the purchase contract to the supplier if it is required to exercise its right to cancel the transaction.
Step-4	The bank executes Ijarah contract with the customer.
Step-5	The bank issues delivery instructions to the Supplier allowing the customer to collect the goods and consent to delivery.
Step-6	To ownership of the asset (earlier than the date of the lease contract), the customer and the bank executes an early ownership contract.
Step-7	Once the customer satisfies all the terms of the Ijarah contract, the bank transfers the asset to the customer and executes the agreement.



5. Istisna'a (Construction Finance)



The Product is used to finance the construction of real estate units (commercial and residential) and factories, etc. The customer has to request and execute an Istisna'a contract with the bank in order for the bank to proceed with constructing the real estate unit on behalf of the customer. Upon the completion of the project, the bank may sell or lease the unit to the customer:

- The customer submits an Istisna'a request to the bank
- The bank executes the Istisna'a contract with the customer
- The bank executes a parallel Istisna'a with the developer/contractor
- Upon the completion of the project, the bank issues instructions to the developer to deliver the unit to the customer

The following documentation is required:

- Facility Agreement is a master agreement that is signed one time to cover the general terms for all Shariah compliant facilities
- Istisna'a contract describing the specific terms of the transaction

The following are steps required for the execution of a transaction:

Step-1	Customer submits a request to the bank for construction/ Istisna'a of a Real Estate Unit.
Step-2	Once the bank accepts the request, the bank executes an Istisna'a contract with the customer.
Step-3	The bank may enter into a Parallel Istisna'a contract with the developer/contractor.
Step-4	After the completion of the construction project, the bank instructs the contractor to deliver the unit to the customer.
Step-5	The developer submits to the bank a confirmation receipt of the customer taking delivery of the completed unit.
Step-6	The customer signs the document for taking delivery of the constructed unit.

