

# RIBA-FREE LOANS

**A fixed-fee loan product designed to be compliant with Islamic finance principles**

The logo for CEI, consisting of the letters 'CEI' in white, bold, sans-serif font, set against a solid red rectangular background.

**CEI provides business loans to those who, for religious reasons, do not pay or accept interest.** These loans are based on Islamic financing principles. CEI charges a fixed monthly administrative (“admin”) fee based on the loan amount and term, instead of interest that accrues each month.

This admin fee covers the cost of doing business and is based on CEI’s cost of funds, internal loan group operations, and the loan’s level of risk. Over the life of the loan, the cumulative admin fee is equal to the accrued interest on a typical interest-bearing loan of the same amount and term. This business loan product is available to all applicants for commercial uses.

CEI believes this fixed fee-based product is compliant with the principles of Islamic finance and is similar to other models we have researched. We acknowledge that there are many countries and regions of the world which interpret Islamic law differently, so we encourage you to review this document with your local mosque, imam, or other community members to ensure this product is compliant with your individual religious principles. If you have any questions about this product or financing your business, please contact us at [lending.info@ceimaine.org](mailto:lending.info@ceimaine.org) or reach out to your business advisor.

## LOAN TERMS

Geography	Maine
Sector	Any. This business loan product is available to all applicants for commercial uses.
Uses	Working capital, equipment/supplies and refinance existing higher interest.
Amount	Up to \$1 million.
Loan Costs	A fixed monthly administrative fee is calculated on the loan amount and term. Over the life of the loan, the cumulative admin fee is equal to the accrued interest on a typical interest-bearing loan of the same amount and term.
Typical Term	3-7 years.
Other Features/ Requirements:	Speak with your loan officer about other features or requirements.

**For more information, contact:**  
[lending.info@ceimaine.org](mailto:lending.info@ceimaine.org) | 207.424.2692 or reach out to your business advisor

## EXAMPLE LOAN

<b>Borrowed Amount:</b>	\$25,000
<b>Term:</b>	5 years
<b>Monthly Principal Payment:</b>	\$416
<b>Monthly Admin Fee:</b>	\$81
<b>Total Monthly Payment (Principal + Admin Fee):</b>	\$497

The below graphic compares the fixed admin fee payments to the interest payments of an interest-bearing loan for the same term and amount, based on CEI's current cost of doing business (Subject to future change).

