



# Terms & Conditions Booklet

we do banking, you do life.



# Terms and Conditions

## Preamble:

These Terms and Conditions regulate the operation of Islamic accounts of the Customer opened and maintained with the Bank and shall be deemed to form part of the Account Opening Forms (as defined herein) as signed by the Customer from time to time.

These Terms and Conditions shall be construed in accordance with the Memorandum and Articles of Associations of the Bank, its by laws and regulations, the U.A.E. Central Bank's regulations as issued from time to time, the Fatwa's issued by the Fatwa and Sharia Supervisory Board of the Bank and the provisions of noble Islamic Sharia. Should there be any discrepancy between the Arabic and English texts, the Arabic version of the text will prevail.

The Bank shall have the sole discretion to amend, add to, or delete any provision of these Terms and Conditions at any time and to such extent as permitted by law and/or by any other reasonable means of notification of such changes.

## Definitions:

In these Terms and Conditions, the following words and expressions shall have, whenever mentioned herein, the meanings shown against each of them:

**Account:** means the Islamic account(s) opened and maintained by the Customer with the Bank.

**Account Opening Form:** means the account opening form in the Bank's standard format, which is issued by the Bank and signed by the Customer in relation to the opening of an Account.

**ATM Card:** means a card issued by the Bank in favor of the Customer, to be used by the Customer in designated automated teller machines to access a credit or a debit account and to complete transactions permitted by the bank via automated teller machines.

**Bank:** means Mashreqbank, acting through its Islamic banking division, namely Mashreq Al-Islami.

**Category:** means a group of Customers having the same maturity classification for their Mudaraba Account for a given currency.

**Current Account:** means the account(s) compliant with Shariah rules opened and maintained by the Customer with the Bank.

**Customer:** means the Account holder or any person who requests the banking and financing services from the Bank or its successors and assigns as named in the relevant Account Opening Form.

**Mudaraba Account:** means the Shariah compliant savings and investment deposit Account(s) opened and maintained by the Customer with the Bank under which the monies placed by the Customer therein shall be invested by the Bank and which, where the context requires, includes the Mudaraba Term Account.

**Mudaraba Term Account:** means the Mudaraba Account which is opened by the Customer solely for the Mudaraba Term Period as shall be selected by the Customer in the Account Opening Form.

**Terms and Conditions:** means these terms and conditions herein contained, as varied, amended, supplemented or modified from time to time.

**UAE Dirham:** means the lawful currency of the UAE.

**UAE:** means the United Arab Emirates.

## Interpretation:

Unless the context requires otherwise, the following rules shall apply:

- a) Reference to any person including the Customer, the Bank and/or any other persons and/or legal entities shall include the personal representatives, successors and/or assigns of the person.
- b) Reference to any person shall include any corporation, firm, partnership, society, association, statutory body and agency, whether local or foreign.
- c) The clauses and other headings herein are for ease of reference only and shall not affect the interpretation of any provision hereof.
- d) Reference to a statutory provision includes reference to any modification, consolidation or re-enactment of it for the time being in force, and all statutory instruments or orders made pursuant to it.
- e) Words importing the singular meaning shall where the context admits include the plural and vice-versa.
- f) Words for a gender include all genders.
- g) Where a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- h) Where two or more persons constitute the expression the "Customer", all covenants, agreements, undertakings, stipulations, obligations, conditions and other provisions hereof and their liability herein shall be deemed to be made by and be binding and applicable respectively on them jointly and each of them severally and shall also be binding on and applicable to his/its personal representatives, successors and/or assigns jointly and severally.

## (a) General Terms and Conditions

### 1 Terms and conditions governing Banking relationship

- a) I/We hereby agree to provide up-to-date copies of my/our visa.
- b) I/We hereby agree to provide details of transactions carried through my/our account as and when required by the Bank.
- c) The Bank shall at all times have the right to verify the Customer's bank account information and any other information or otherwise at Customer's office/residence.

- d) The Bank has the absolute right at any time at its sole discretion and determination without assigning any notice or reason, to close the above account/s.
- e) The Bank and the financial institution have the right to block the funds transferred to the Customer's account in the case of any suspicion of any money laundering of financing terrorism or terrorist organizations.

## 2 Shariah Compliance:

The products/services Mashreq Al Islami offers are Shariah compliant. To ascertain this Mashreq Al Islami has retained the services of an Independent board comprising of leading Shariah scholars well versed in Islamic law and enjoy enormous experience in the field of Islamic banking practice. The Shariah Board reviews the terms and conditions of each product/service Mashreq Al Islami offers before the launch. The board then continues to supervise Mashreq Al Islami through and independent Shariah audit function which check transactions to ascertain their compliance with the set rules and principles."

## 3 Account opening:

- a) An Account can be opened in the name of one person or jointly in the name of two or more natural persons.
- b) Accounts can be opened with the Bank upon submission of documents to the satisfaction of the Bank.

## 4 Account Number :

The Bank shall assign a base account number for each Customer to proceed with all transactions with the Bank. Under the base number allocated, each type of Account opened by the Customer will be allotted as a separate account number. The Customer may carry out all transactions permitted under the Accounts with any branch of the Bank within the UAE.

## 5 Specimen Signature:

The Customer's specimen signature registered with Bank shall be considered to be the basis of carrying out transactions on the Customer's Accounts and shall remain valid unless changed or cancelled. Any change or cancellation shall only become valid on the next working day following the day of receipt of such instructions by the branch at which the Account is maintained.

## 6 Deposits and Withdrawals:

- a) The Bank may accept deposits from Customers in cash or by any of the customary banking and/or financing practices. The Bank shall be entitled, in its sole discretion, to refuse any instrument or deposit and / or limit the amount permitted to be deposited and / or return any deposit or any part thereof at any time and from time to time. Deposits by third parties into the Account may be accepted without any responsibility to the Bank. The

Bank may, without prior notice to and/or consent of the Customer, reverse any entries in the Account where transfers, remittances, cheques or other instruments previously credited to the Account are recalled or returned unpaid for any reason. The Bank shall be entitled to retain unpaid cheques or instruments and to exercise all rights in relation thereto. The Bank may, without prior notice to the Customer, reverse any entry made in error and accepts no responsibility for, or liability in respect of, any loss or damage arising out of or relating to such operating errors. In the event the Customer discovers any such error, the Customer shall immediately notify the Bank in writing of such error.

- b) Withdrawals by the Customer shall be subject to such notice or restrictions as may be applicable from time to time. Cash withdrawals from a deposit Account shall be done by using such forms as prescribed from time to time by the Bank. Cash withdrawals from a Current Account shall be done by using the cheques issued by the Bank or in the case of individual Customers, the ATM Card. The Bank may, in its sole discretion, accept instructions allowing a third party to withdraw funds from the Account, but only if such instructions are in a form acceptable to the Bank and on the condition that the Customer shall indemnify the Bank as herein provided or otherwise as required by the Bank.
- c) Individual Customers who cannot sign their names (blind/illiterate customers) should produce proper identification acceptable to the Bank and will be required to finger print and/or stamp, as required by the Bank before withdrawing any amount from the Account. To protect the interest of such Customers, the Bank shall not issue cheque books or ATM Cards to them except through the Customer's authorized agent as notified by the Customer to the Bank in writing.

## 7 Collections and Remittances:

- a) Cheques and drafts drawn to the order of the depositor or the Customer, deposited in the Account shall be accepted as collection items, unless agreed otherwise by the Bank in accordance with standard banking and financing practices prevailing from time to time. The Bank has the right to reject cheques, drafts or any other securities drawn to the order of a third party. The Bank maintains the right to debit any account with any unpaid and non-collected items in addition to the Bank's charges, without assuming any responsibility in case of non-collection of such items.
- b) Drawings against cheques under collection shall only be allowed after their actual realization.
- c) The Bank shall pay the actual amount of telex / SWIFT

transfers or company drafts / cheques received in favor of the Customer after deducting banking fees / charges and commissions applicable from time to time. The applicable fee / charges for the Bank's services are set out and continuously displayed in the Bank's head office and branches.

- d) The Customer, agrees that the purchase by the Bank of a draft (in foreign currency) previously issued by the Bank at the instruction of the Customer, shall be at the discretion of the Bank and at the exchange rate prevailing on the date of purchase after the deduction of the Bank's fees / charges and commissions.
- e) The Bank shall credit all the incoming remittances and drafts of the Customer into the Account in the currency in which such Account is maintained unless the Bank receives instructions contrary thereto from the Customer received no later than two working days prior to the date of such credit, and the deposit shall be at the exchange rate prevailing on the same day of booking such transactions.
- f) The Bank shall have the right to reject to pay for any draft or transfer if the name of the beneficiary and / or his / her account number does not match the Bank's records or for any other reason.
- g) All the transfers effected by the Bank according to the Customer's instructions shall be at the Customer's expense and responsibility, and the Bank shall not be responsible if the amounts credited to the Customer accounts are reduced due to the charges or decline in value, and the Bank shall not be responsible if the Customer was unable to avail other funds on account of any restrictions issued by the concerned authorities.
- h) The Bank and its correspondents are not liable for the consequences of any irregularity, delay, mistake, telegraphic error, omission or misinterpretation that may arise, and from and against any loss, which may be incurred through its correspondents failing properly to identify the persons named in the instructions or retaining the funds, should the Bank or its correspondents deem such retention expedient, pending confirmation of the identity of any person or of the above instruction by a letter or otherwise.
- i) Should all or any transfers be unpaid and refunded to the Bank, the Customer can only claim the value thereof at the buying rate of the day when the refund takes place. The refund cannot be affected until the Bank has received definite advice from its correspondents that the funds are unpaid and that the original instructions have been cancelled.

- j) The Bank shall comply with all anti – money laundering laws and regulations in force and applicable to it from time to time and may at its discretion call for additional details or information on the above transactions and provide the same to regulatory authorities involved in the said operations. The Bank will not take any responsibility for delayed execution of transactions if the information called for is not provided by the Customers in time or if approval from regulatory authorities is pending.

#### **8 Statements of Accounts / Addresses / Details:**

- a) The Customer shall be provided with the advice and statements of accounts (as per the Customer's request or by the decision of the Bank) at such intervals as the Bank deems fit. If the Bank does not receive any objection within fifteen (15) days from the date of dispatch of the advice of the statement of account by mail, and / or by any electronic media, then such statement and advice shall be deemed correct and binding upon the Customer. If the Customer does not receive a statement of account for any period, it is the responsibility of such Customer to request a statement from the Bank within one month of the date on which such statement would normally have been sent to him/ them.
- b) Unless the Customer gives notice in writing the address set out in the Account Opening Form shall be the approved address for the mailing of all letters, notices, advices, statements of account or other notification (legal or otherwise). The Customer shall inform the Bank in writing, in case of any change of the Customer's particulars set out in the Account Opening Form.
- c) The Bank may stop mailing the advices or statements of Account if they are returned undelivered consecutively on two or more occasions, until such time the Bank is provided by the Customer with an alternative address for mailing such statements. Those statements not mailed to the Customer may be collected from the Bank's premises, after serving sufficient notice for retrieval of the same, in accordance with the Bank's prevailing practice from time to time. The Bank, at any time and without giving any prior notification to Customer, may stop mailing through either normal or registered postal mail the statement of accounts where the Bank's own electronic delivery channels/access options are available to allow the Customer to request, receive and retrieve his/their statements of accounts electronically. The Customer hereby absolves the Bank from any consequences, losses, damages, claims or other rightful acts, which the Customer may otherwise have against the Bank, arising either directly or indirectly, from the Bank not dispatching the statements of the Accounts.

Furthermore, the Customer agrees that the Bank will not be responsible in any way, for the Customer's inability to verify the correctness or the propriety of the entries in the statements. The Customer must immediately inform the Bank in writing of any change in the details given on the Account Opening Form and any subsequent changes thereto.

- d) The Customer may request for an additional copy of the statement of account, which shall be provided to the Customer at the Customer's own expense.

#### **9 Standing Orders & Instruction by Fax:**

- a) The Bank shall accept requests for the execution of any standing order from the Customer provided that the Customer shall have sufficient balance in the relevant Account on the due date(s) for the executions of such orders. The Bank shall not be liable for any delay or error in the dispatch or in the transmission or for any error on the part of the paying bank or any of its correspondents. The Customer acknowledges that the Bank shall not be liable for such delays or errors and the Customer shall indemnify the Bank for the loss, damages and expenses incurred by the Bank as a result of the execution of the standing orders given by the Customer.
- b) If the Customer gives the instructions to the Bank by facsimile, the Bank may, at its sole discretion, process or refuse to act on them. The Customer acknowledges and assumes all risks associated with communication of instructions by facsimile, and declares that the Bank shall not be liable, and the Customer shall indemnify the Bank for all the losses, damages and expenses incurred by the Bank as a result of any act or omission relating to any instructions given or understood to have been issued by the Customer. In addition, the Customer agrees that the Bank shall not be liable for any errors in the dispatch or transmission. The Bank shall not be required to obtain confirmation or make enquiry as to the genuineness of the instructions. The Bank may, however, without being obliged to do so and at its sole and absolute discretion, decline to act upon such instructions and / or request verification of instructions by means of a confirming telephone call to the Customer.
- c) In case the Customer seeks to have the instruction by fax service, the Customer shall fill out and sign a form specially provided for this purpose and the Bank shall reserve the right to refuse to grant such request of the Customer.

#### **10 Adjustment of Entries:**

In case of any error in entries, any adjustment or correction in the entries signed by the Bank shall be considered effective and correct. The Customer shall not have the right to claim

the value of the erroneous deposits into the Account, and the Bank is authorized to process the correction entries and debit them to the Account. The Customer declares that the Bank has the right to claim the amounts paid wrongfully to the Customer with the Customer's obligation to settle them by the method, procedures and the dates as specified by the Bank without an objection and irrespective of the elapse of any period of time from the date of occurrence of the wrong entry.

#### **11 Fees & The Banking Services charges:**

The Bank may, without referring to the Customer, debit the Accounts with any charges, expenses or commission payable against the banking and financial services rendered in accordance with the banking and financial charges and commissions approved and announced by the Bank.

#### **12 Company's Rights of Accounts, Set-off & Securities:**

- a) Where a Customer that maintains or establishes more than one Account (whether now or in the future and whether with the Bank's head office or at any of its branches), such relationship between the Bank and the Customer will be deemed to constitute that of a single account relationship. The Bank shall have an absolute right to combine or merge any or all the Accounts for the purpose of setting-off debit balance against available credit balance or to reimburse itself for recovery of dues of commitments for which the Customer is liable.
- b) The Customer agrees that the Bank, at any time and without giving any prior notice, may freeze, set-off or transfer any amounts between the Accounts whatsoever their types or names, whether individual and/or joint Account, in local or foreign currency, so that each account shall be considered as security for the other Accounts, individually or jointly, for the purpose of settling any debts of the Customer of the party(s) guaranteed by the Customer towards the Bank.
- c) The Bank may attach all the guarantees and properties maintained by the Bank in the name of the Customer for the purpose of settling any amounts due by the Customer to the Bank, and further the Bank shall have the right to set-off the Accounts.

#### **13 Accounts in foreign currencies:**

- a) The Customer may open Accounts in a foreign currency upon the approval of the Bank and the transactions in this Account shall be effected only by the Bank's forms, drafts or written instructions, in the same currency of the Account.
- b) The Customer may transfer funds from its foreign currency accounts to its local currency accounts or vice versa at the

prevailing rate of exchange in the same day. The Customer acknowledges that the Bank will not be held responsible for any exchange losses that the Customer may incur when transferring any amount from its foreign currency accounts to accounts in other currencies.

#### 14 Conditions for joint accounts:

- a) Two or more individual Customers ("Joint Customers") may open an account jointly (a "Joint Account") in which their rights there under shall be joint and several. If the Account is opened in the name of the Joint Customers, these Terms and Conditions shall constitute an agreement between the Joint Customers, jointly and severally, as well as between the Joint Customers and the Bank and shall be applicable in addition to the other provisions of these Terms and Conditions.
- b) All deposits made in a Joint Account and the inward transfers to a Joint Account shall be deemed to be owned equally by the Joint Customers unless otherwise stipulated in the Account Opening Form.
- c) Persons authorized to operate Joint Accounts will be entitled to deposit and withdraw convertible currencies, cheques, payment orders, drafts or other negotiable instruments. Such authorized persons will also have the right to draw, endorse and negotiate cheques, transfers or other negotiable instruments in favor of the Bank in their capacity as authorized representatives.
- d) The Joint Customers shall be jointly and severally liable for settling in full all dues or claims to the Bank that may arise or any commitments, present or future, by the actions for those operating the Joint Account or any withdrawals that may cause the Joint Account to be overdrawn. Any debit balance arising on the Joint Account for any reason (and any other liability that may be incurred) will be the joint and several responsibilities of all the Joint Customers. Any such liability will not be discharged or otherwise affected by the death or incapacity of any one or more of the Joint Customers.
- e) The Bank shall have the right to close the Joint Account at any time at its option for any reason whatsoever.
- f) If one of the Joint Customers is subject to an attachment, such attachment will be enforced on such Customer's share only with effect from the day of notifying the Bank of the said attachment. The Bank shall stop withdrawal from the Joint Account to the extent of the attached share, and consequently notify the Joint Customers or their representative of the said attachment within fourteen days from the day of attachment notification at the address set out in the Account Opening Form.

- g) The Joint Customers expressly agree and consent that the Bank has and shall have the right, in its discretion and without notice to any of the Joint Customers, to assert a lien on the Joint Account and apply all credit balance or any part thereof in setting off any (actual, contingent, matured or immatured) sums that may be owing to the Bank from any or all of the Joint Customers and to set-off the amount of such indebtedness to the balance of the Account.
- h) In the event of death of one of the Joint Customers or the loss of his /her legal capacity, the remaining Joint Customers shall notify the Bank of their intention to continue the Joint Account, within a period not exceeding ten days from the date of death or the loss of the legal capacity (as the case may be). The Bank shall then suspend withdrawals from the Joint Account until a successor is legally appointed.
- i) Any of the Joint Customers or their representatives should not request credit facilities in their personal names to be secured by the Joint Account without a written approval from all the Joint Customers.
- j) The Bank shall have the right to issue the ATM Card to each of the Joint Customers if each of them is authorized to handle the Account, and they will be held individually or jointly, responsible for all liabilities that occur from using this service.

#### 15 Conditions relating to companies, establishments and organizations accounts:

- a) The persons authorized to sign; whose names are mentioned in the Account Opening Form shall handle all the banking and investment transactions with the Bank to the extent of the powers granted to them in the memorandum of association, contract of establishment, by-laws or their equivalent.
- b) The owners of the company / establishment / organizations indebted to the Bank in any way undertake jointly and severally to pay all the Bank dues, whether from the assets of the company / establishment / organization or from their own funds.
- c) The company / establishment / organization undertakes to inform the Bank promptly of any changes in its memorandum and articles of association, contract of establishment or its by-laws or the change of the legal form or any change in its constitution, board of directors, partners or representatives or any changes in the authorized signatories. The Bank will bear no responsibility in the event any of its directors, partners, managers or representatives have violated the provisions as contained in its articles of association, contract of establishment or its by-laws or have acted ultra vires or in excess of their powers.

- d) The company /establishment/organization authorizes the Bank to pay and debit the Account, whether the Account was in credit or overdrawn, or which subsequently become overdrawn due to such debits, all transactions issued by those authorized to operate the Account. The company /establishment/organization shall be liable for any instruction or orders issued to the Bank by those authorized to operate the Account and enter into all the banking and financial transactions including opening documentary letters of credit, money transfer and all transactions including the applications of credit facilities.
- e) Such signatories who sign the banking transactions shall be personally liable to compensate the Bank in full for any debts, present or future, or any amount incurred or any loss or damage caused to the Bank as a result of any unlawful acts done by them.
- f) The company/establishment/organization undertakes to furnish the Bank with an audited balance sheet and income statements or any other document required by the Bank at such intervals and at such time as requested by the Bank.
- g) The relevant partners/shareholders declare that in case of the amendment in the powers of any partner representing the company/establishment/organization, whether due to withdrawal, resignation or dismissal or to any amendment of the memorandum of association or the change of its name or the loss of legal capacity of any partners or the declaration of his/her the bankruptcy or death. or joining or withdrawals of one or more partners, the remaining partners/shareholders shall be fully liable on behalf of the company/establishment/ organization, and the Bank shall have the right to attach all the credit amounts of the company / establishment / organization in favor of the Bank to recover its dues or in favor of any court order or judgment.

**16 Conditions relating to accounts of societies, clubs and similar organization:**

- a) The Account shall be operated in accordance with the board of director's resolutions. A board resolution should be submitted stating the names and designation of the signatories. Signatories shall not delegate others to exercise such powers.
- b) The clubs and societies and similar organizations shall submit the registration decision issued by the concerned authorities in the United Arab Emirates upon submitting the application for opening the Account.
- c) In case of expiry of the term of the board of directors of the club or societies or similar organizations or the resignation or dismissal of the board, a letter evidencing

the appointment of the board of directors or the minutes of the general meeting in which the new board of directors has been elected shall be submitted to the Bank, indicating the name and capacity of those who have the right to sign before the Bank on behalf of the club or society and similar organization and the manner in which the account is to be operated.

**17 Other General Conditions:**

- a) The Bank shall have the right to respond to all queries of other banks concerning the Accounts without reference to the Customer. The Customer also authorizes the Bank to get official information from any entity in order to update its data, without any liability on the Bank or that entity.
- b) In case of the death of the Customer, his /her account shall be frozen and no amounts in his/her name with the Bank shall be released to the heirs or their attorneys unless a formal order by the competent court is addressed to the Bank to this effect, and the Bank shall only be responsible therefore from the date on which it has been notified about the death.
- c) In case the association / organization becomes bankrupt or has financial problems, the Account shall be frozen until the receipt of a formal order from a competent court.
- d) The Bank shall not open a Current Account for minors but may open saving/investment deposit account for minors under the signature of his/her father or a legal guardian until the minor comes of the age of majority, then he/she shall be entitled to receive his/her funds and operate his/her account by himself/herself. In case of a minor under guardianship, a decision or judgment of the competent court for lifting the guardianship must be obtained to enable him/her to operate the account.
- e) The Bank may close the Account at any time without giving reasons or notifying the Customer. In all such cases the Bank's responsibility shall cease to exist by issuing a cheque for the credit balance on the Account (after deducting the necessary fees and expenses related to the closure of such Account) and sending it to the Customer by mail at the Customer's address. The Customer shall repay any amounts due to the Bank upon receiving the Bank's advice of its intention to close the Customer's indebted account.
- f) The Account shall be considered dormant if no transaction is effected for a period exceeding six consecutive months and the Bank shall, in this case, have the right to reject any debit to the Account including cheques, outgoing transfers or any other commercial papers. The Customer shall be fully responsible for any consequences, claims, legal procedures or losses pertinent thereto, and the

Customer declares that the Bank shall not, in any case be responsible therefore. The Customer may request the Bank to reactivate or close the Account. The Bank may comply with such request at its sole discretion.

- g) The Customer shall be responsible for paying the Zakat due on his/her/their funds and the Bank shall furnish the Customer with details of his/her Accounts if required.
- h) The Bank has the right to destroy the cheque books/ATM Cards/ and/or correspondence containing the Customer's personal identification number (as the case may be) if they have not been collected by the Customer within one month from their date of issuance thereof. The Customer shall submit a new application and pay the relevant charges for re-issuance of any of these items.
- i) The Bank shall at any time have the right to amend these Terms and Conditions by notifying the Customer through a general notice to be displayed at the Bank's branches and the Customer shall be, thereafter, bound by such amendments. If the Bank does not receive an objection from the Customer within fifteen days of such amendment, then the Customer shall be considered to have accepted such amendment. The amendment shall be effective on the renewal of the deposit if the Bank notifies the Customer of such amendment before the expiry of its term.
- j) If the Bank does not at any time exercise the full implementation of any clause or obligation set out in these terms and conditions, or if the Bank delays the implementation thereof, the same shall not be considered to be a waiver of its right or abandonment of the full implementation at a subsequent time. The Bank's records and documents shall be considered as evidence of the correctness of the Customer's balance. If, however the contrary is claimed, then the burden of proof shall lie with the Customer.

## **(b) Specific Terms and Conditions:**

### **1 Current Account:**

- a) The bank opens current accounts for its customers on the basis of a Sharia compliant Qard and accordingly the Customer is not entitled to any share of profit or interest.
- b) Any credit balance in the current account is a Qard from the Customer to the bank (loan without interest), and on demand the Bank undertakes to pay the credit balance in full.
- c) The Bank as a borrower has the right to use, for its own Sharia compliant business, the credit balance available in the Current Account at its own risk. No reward shall be availed to the Customer as the result of this usage of the Customer's funds.

- d) Any adult individual or commercial entity has the right to open a Current Account if he/she is a national or resident in the UAE subject to the controls rule and regulations of the UAE Central Bank currently in force.
- e) Withdrawals from a Current Account shall be made through cheques issued by the Bank or an ATM Card.
- f) Deposits in the Current Account shall be accepted in all branches of the Bank in the UAE by cash, cheques drawn on Company's branches or local banks or through the Bank's automated teller machines.
- g) The Bank shall have the right, to refuse to pay any payment orders or cheques written on forms other than the Bank's forms, without any responsibility whatsoever on the part of the Bank.
- h) The Customer shall draw cheques in Arabic or English languages, and the Bank shall not accept cheques written in any other language.
- i) The Bank shall have the right, but not the obligation, to honor the value of cheque or other negotiable instruments, drawn on a Current Account even if this were to cause the Current Account to be overdrawn and the Customer undertakes to repay all the due amounts in the Customer's overdrawn account whenever the Bank requests. No fee shall be charged for the overdraft.
- j) The Bank shall have the right to refuse to pay the value of the cheques, withdrawals and payment orders drawn on the Current Account if the credit balance in the Current Account is not sufficient, even if the Customer has credit balance in any other Accounts with the Bank, unless the Customer authorizes the Bank in writing to pay the value of such cheques, or any other withdrawals from any of the Customer's other Accounts with the Bank no later than one working day prior to such payment.
- k) The Bank may accept from the Customer any stop payment of cheque in case it is lost, or in other circumstance as shall be allowed by law and agreed by the Bank. However, the Customer will bear any loss, damage and cost (including legal cost) due to these incidents.
- l) The Customer shall take due care of the cheque book, and shall bear full responsibility for it. The Customer shall not give any of his/her cheque books to any third parties. The Customer shall immediately inform the Bank in writing, upon the loss or theft of a cheque book, in the absence of which otherwise the Customer shall bear all the consequences in cases of its misuse.
- m) The Bank has the right to refuse issuing a cheque book to the Customer, without giving any reason thereof.

- n) The Bank has the right to close the Current Account and to cause the Customer's name to be blacklisted in accordance with the regulations of the UAE Central Bank in force from time to time. The customer has the right to know the reasons for such action
- o) The Bank does not accept any responsibility in the event of a postdated cheque being inadvertently or otherwise honored before the due date.
- p) The total amount of cheques drawn on the Current Account but not yet presented for payment must not, at any time, exceed the credit balance on the Current Account and funds available for withdrawal. The Bank is not obliged to honor cheques drawn against unrealized or non-cleared payments into the Current Account. In addition to the other rights of the Bank hereunder, the Bank will in accordance with the Bank's prevalent policy levy a charge for any cheque that is returned unpaid for lack of funds.

## 2 Savings and Investment Account:

- a) Savings and Investment Accounts shall be opened on the basis of Mudarabah contract. The Customer (being the fund owner or "Rab al Maal") shall authorize the Bank (being the "Mudarib") to invest the Customer's funds according to the principles of Islamic Shariah in such manner as the Bank, in its absolute discretion, deems fit.
- b) As per the UAE Central Bank regulation, The Bank shall not issue a cheque book to Mudaraba Term Investment account holders, and the Customer shall not be entitled to issue payment orders drawn on his Account.
- c) The Bank shall issue an ATM Card to the savings Account holders. In the case of investment accounts, the standard cash withdrawal slips available at the Bank premises must be used in making all withdrawals from the Account.
- d) The Bank may at its discretion restrict/limit the number of withdrawals permissible during a calendar month on the Savings Account, and in case the number of withdrawals exceeds the number of transactions specified by the Bank, then the Bank may levy a service charge for each transaction exceeding such limit. These charges shall be published, from time to time, as part of the bank fees list.
- e) The Bank as a Mudarib shall invest the funds standing in the credit balance of the saving and Investment Accounts (the "Mudaraba Funds") on the basis of the minimum monthly balance available in these Accounts less the legal liquidity reserve.
- f) The Mudaraba Funds shall be placed in a joint investment pool with the Bank funds and shall be managed and invested by the Bank on an unrestricted basis in accordance with the principles of the Islamic Sharia.
- g) The net profits accruing from the investments shall be allocated to the various fund Categories in proportion to their respective contributions to such joint investment pool.
- h) The Bank as Mudarib shall be entitled to a pre determined percentage of the realized net profit arising from the investments of the Mudaraba Funds as the Mudarib share of profit. The Bank's share of the realized net profits are available in annex (1) attached hereto. The Bank's share of profits and any variations thereof shall be determined by the Bank's management and shall be notified/displayed at the Bank's head office and its branches from time to time.
- i) Profits shall be calculated at the end of every Georgian calendar quarter on the basis of constructive liquidation and customer's share of profit shall be credited to his savings or current accounts (as instructed by customer) in the subsequent month. Each subsequent period shall be considered a new Mudaraba on the same terms as agreed before, and the customer shall be considered agreeing to the renewal of the investment at its maturity date unless the bank receives a written notification four days before maturity date to the contrary of that
- j) If the customer decides to withdraw his balance in the investment account before maturity and he received profits for past distribution terms as per contractual maturity, then the bank has the right to adjust the profits of such customer equating them with the profits of similar maturity. The adjustment amount, deducted from the account balance, shall be credited to the Mudaraba pool.
- k) The Customer authorizes the Bank as Mudarib to deduct, if required, a certain percentage of the net profit from the share of the investors in the joint investment pool to manage any risk of loss encountered by the Customers in relation to the Mudaraba Accounts and/or a percentage of the aggregate of the Mudaraba profits for purpose of stabilization of Mudaraba returns. Such funds shall be deducted, held and disbursed only upon instruction and prior approval of the Sharia Supervisory Board of the Bank.
- l) In the case of an Investment Account, the following additional conditions shall apply:
  - a) the Customer shall select a fixed term of [one], [three], [six] or [twelve] months or any other term as shall be specified by the Customer in the Account Opening Form (the "Mudaraba Term Period"), provided that the minimum fixed term shall be one (1) month;
  - b) in the event the Customer wishes to make a withdrawal from the investment Account prior to the expiry of the Mudaraba Term Period the following additional conditions shall apply:

- i) the Customer shall give seven (7) days advance notice in writing of such intended withdrawal;
- ii) only the whole (and not part) of the Mudaraba Funds may be withdrawn;
- iii) The customer is not entitled to profits if he withdraws his investment in less than a month and he has not been exposed to loss."
- c) Withdrawals of deposits exceeding UAE Dirham 1 million shall require 24 hours prior notice to the Bank;
- d) The official currency for saving and Investment accounts is the emirates dirham. If a customer deposits funds in other currencies the Bank will apply the exchange rate prevailing on the day the deposit is made.
- e) The minimum limit for accepting the Mudaraba Funds in other currencies shall be defined by the Bank from time to time. The foreign currency investment accounts shall be invested in the same currency in a separate pool in order for each pool to bear its FX risks.
- f) Unclaimed profit amount on a Mudarabah deposit will remain in a non distributable charity account for a period of 1 year. At the end of this period if the amount has not been claimed by the customer, then it will be given to a charity selected by the Bank.

**(c) ATM card (where applicable):**

In the event the Bank issues an ATM Card to the Customer, the following terms shall apply:

- a) ATM Card shall be issued to individual Customers and not corporate Customers.
- b) The ATM Card is issued at the discretion of the Bank and will at all times remain the property of the Bank. The Customer shall surrender the ATM Card upon closure of the Account or upon demand by the Bank
- c) It is a condition of issue and use that the ATM Cardholder maintains an Account with the Bank at a branch of the Bank in the UAE.
- d) The ATM Card is issued for use only on electronic machines capable of accepting VISA / ELECTRON / NSWITCH / UAE SWITCH Cards and / or MAESTRO / CIRRUS / NSWITCH / UAE SWITCH Cards for the Bank account holders and so authorized and may not be used to obtain credit of any description on the strength of the ATM Card.
- e) The ATM Card is issued entirely at the risk of the Customer who shall indemnify the Bank for all loss or damage howsoever caused resulting from the use of the ATM Card.
- f) The Customer undertakes not to disclose his/her personal identification number ("PIN") to any other person. In the

event of the PIN becoming known to someone other than the Customer, that person may be treated by the Bank as an acting agent of the Customer and the Customer shall indemnify the Bank against all loss or damage which may occur as a result of the PIN becoming known.

- g) The Customer shall take every possible care to prevent the ATM Card from being lost, mislaid or stolen and shall not pass the ATM Card to any other person.
- h) The Customer shall notify the Bank immediately if the card is lost, mislaid or stolen or if it comes into the hands of a third party or if the PIN is otherwise disclosed or made available to a third party.
- i) Where oral notice of loss or theft of the ATM Card is given, it must be confirmed in writing to the Customer's branch of the Bank within 48 hours of the receipt of notice.
- j) The Bank shall debit the Customer's account with the amount of any withdrawal/transfer payment of telephone, water, electricity bill payment for goods and services at Point of Sales (POS) terminals and all such payments as effected by the use of the ATM Card along with the related Bank charges.
- k) The Customer shall at all times remain liable for any transaction made by the use of the ATM Card and shall indemnify the Bank for all loss/ damage howsoever caused by any unauthorized use of the ATM Card. The Bank's record of transactions processed by the ATM Card electronically or otherwise shall be conclusive and binding for all purposes and in particular for the purpose of legal evidence.
- l) The amount of any ATM Card transaction in a currency other than UAE Dirham will be converted into UAE Dirham at a rate of exchange determined by the Bank at the date when the relevant ATM Card transaction is debited to the ATM Card Account. A handling charge will be levied on all transactions processed through automated teller machines other than that of the Bank.
- m) The Customer accepts all debits made to the account arising from the use of the ATM Card without limitation (except after written notice of loss has been received and acknowledged by the Bank).
- n) The Customer shall ensure that it has sufficient funds in the Account to which the ATM Card relates before making any withdrawals. If for any reason an Account is overdrawn by the use of the ATM Card, the Customer shall be responsible for immediately making up the deficit by a direct payment or transfer of funds from any other account maintained with the bank, failure to comply with this condition shall entitle the Bank to cancel the ATM

Card and/or make a transfer on the Customer's behalf (if more than one account is maintained at the Bank).

- o) The Bank reserves the right to limit the total cash sum withdrawn by the Customer during any 24 hour period and to advise the Customer of such limits from time to time.
- p) The Bank shall not be responsible for any loss or damage arising directly or indirectly from any malfunction or failure of the ATM Card or the automated teller machine or the temporary insufficiency of funds in such machine.
- q) Any deposit made through the automated teller machine will be subject to verification by the Bank which shall be binding and conclusive for all purposes.
- r) The tone pad shall remain the sole property of the Bank, and the Customer shall surrender and deliver it to the Bank immediately upon first demand. The tone pad is nonnegotiable, non-assignable and non-transferable to anyone, and the Bank has absolute right at any time to deny, prevent and suspend access to the Telebank, to refuse reissuance, renewal or extension of the PIN and to replace, change or cancel the tone pad at its sole discretion.
- s) The Bank shall not be liable or responsible in any way if the Telebank refuses access for any reason whatsoever and the Bank has the absolute right at any time and without prior notice to modify, withhold, suspend, withdraw or cancel any or all of the services under such system.
- t) The Customer shall not disclose the PIN to anyone and shall exercise all reasonable care to ensure safety of the tone pad to prevent loss, misuse, theft, etc. and if the tone pad is lost or stolen, the Customer shall immediately notify the same in writing to any branch of Mashreq within the UAE. If in any case the PIN is disclosed, the Bank shall not be held responsible or liable for any acts, transactions or any illegal or incapacitated acts carried out prior to receipt of the written notice thereof.

**d) Telephone banking services (where applicable):**

In the following conditions, "Subscriber" means the Customer to whom the above service is provided. Where the service mandate is signed by more than one individual, they shall be jointly and severally bound by these conditions.

- a) The Subscriber should maintain an account with the Bank at any branch of the Bank in the UAE. In the event of the account being closed for any reason the service shall immediately cease.
- b) The Bank reserves the right to refuse an application and may, at its sole discretion, withdraw at any time all rights and privileges pertaining to the service.

- c) The service is provided entirely at the risk of the Subscriber who shall indemnify the Bank for all loss or damage howsoever caused resulting from the use of the service.
- d) The Subscriber should not disclose his/her telephone PIN to any other person. In the event of the telephone PIN becoming known to someone other than the Subscriber, that person may be treated by the Bank as an acting agent of the subscriber and the subscriber shall indemnify the Bank against all loss or damage which may occur as a result of the telephone PIN becoming known.
- e) The Subscriber hereby irrevocably and unconditionally without any right of objection accepts all debts made to the account arising from the use of the service, without limitation.
- f) The Subscriber shall ensure sufficient drawing power in the account to which the service relates before making any transfer. If for any reason an account is overdrawn by the use of the service, the Subscriber shall be responsible for immediately making up the deficit by a direct payment or transfer of funds from any other account maintained with the Bank. Failure to comply with this condition shall entitle the Bank to cancel the service and/or make a transfer on the Subscriber's behalf (if more than one account is maintained at the Bank).
- g) The funds transfer service is restricted for transfer from one account to another of the same Subscriber and is subject to such limits as may be advised by the Bank from time to time.
- h) The Bank shall not be responsible for any loss or damage arising directly or indirectly from any malfunction or failure of the service.
- i) The Bank shall not be responsible for any erroneous payments to utility bank or credit card institution(s) arising out of wrong input of consumer/card number by the Subscriber. The Bank shall not be responsible for any mistake or omission caused by the service and/or any delay by the Bank due to reasons beyond its control.
- j) In the event of part payment of the bill, the utility bank may use its power to discontinue the utility service in which event the Bank or the utility bank will not be responsible therefore in any way.
- k) Where the service is made available to an account with the Bank in two or more names, it is acknowledged that, irrespective of whether the mode of operation of such account is joint or several, the service may only be used by one Subscriber acting alone.

**e) Telebanking/IVR/ Customer Service Unit (Where Applicable):**

These terms and conditions govern the services offered through Self Service Banking at the Banking and the call centre provided by the Bank. The following shall have the definitions ascribed to them:

**Instructions:** means the instructions given or purported to be given by the Customer to the Bank via the call centre or automated self service and also includes any other written or verbal instruction issued or purported to have been issued by the Customer to the Bank and the same are irrevocable and binding on the Customer upon receipt by the Bank.

**IVR:** Means interactive voice response, which is the machine that the Customer interacts with using the Self Service banking, and which responds to and will accept touchtone evidence Instructions.

**Self Service Banking:** Means any or all of the banking services offered by the Bank, which can be availed by the Customer via a telephone and the automated interactive voice response machine.

**ATM PIN:** Means ATM Personal Identification Number issued by the Bank to the Customer to verify the identity of the Customer and for the Customer to authorize transactions via call center or ATM machine.

**Phone PIN:** Means the telephone personal identification number selected by the Customer to verify the identity of the Customer and for the Customer to authorize transactions via the call centre or the Self Service Banking.

- a) In the event of unauthorized disclosure of the ATM PIN or Phone PIN, the Customer shall immediately notify the Bank. The time at which the Bank received the aforementioned information or Instructions will be determined and certified solely by the Bank and such determination shall be binding and conclusive on the Customer. The Bank reserves the right to ask for written confirmation.
- b) The Customer shall be solely responsible for ensuring that the ATM PIN or Phone PIN and any other information that may be communicated to the Customer in this regard by the Bank is fully secured and is not disclosed to any unauthorized persons or third parties. The customer service representatives are NOT authorized to receive the detail of any Phone PIN or ATM PIN. The ATM PIN or Phone PIN will only need to be disclosed via touch-tone telephone while using the automated IVR.
- c) The Customer should immediately inform the Bank if access to IVR is required to be blocked. The Bank reserves the right to ask for written confirmation. The Customer understands and agrees that the Bank will not be liable

for any misuse by another person in such an event and for failure of the Customer to inform the Bank to block IVR access.

- d) In addition to the general terms and conditions that are applicable to use of the call centre and the Self Service Banking options, the following further provisions will also apply:
  - a) All transactions are charged at the normal banking rates. For details please refer to the fees and charges schedule pertaining to the different products offered by the Bank.

**f) Applicable laws and jurisdiction:**

These Terms and Conditions shall be governed by the laws applicable in the UAE as applied in the Emirate of Dubai and the parties hereby irrevocably submit to the jurisdiction of the courts of the Emirate of Dubai.

**g) Acceptance of the Terms and Conditions**

I/ We acknowledge that I/ We have read, understood and agreed on these Terms and Conditions, and that they will apply to all accounts currently opened or will be opened in the future with the Bank, and I/ We have signed in agreement to the same.

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