



## TERMS & CONDITIONS FOR MIB ACCOUNTS

In consideration of Maldives Islamic Bank (referred to as 'MIB' or 'the Bank') opening (and/or continuing to maintain) any Current, Savings, General investment account, or any other accounts in my/our name(s) (referred to as 'the Account') and providing banking facilities to me/us, I/We ('the Customer' or 'the Accountholder') agree to be bound by the Terms & Conditions (referred to as the 'Terms') stated below, and I/We agree, acknowledge and understand that:

1. All Accounts are opened/maintained/placed with the Bank under MIB Rules & Regulations which may be subject to change from time to time at MIB's sole discretion without any notice, and are governed by, and subject to, all applicable laws of Maldives.
2. Any information advised/provided by me/us to the Bank shall be deemed to be correct and binding on me/us unless the Bank receives from me/us.
3. The Bank may, at its discretion, disallow/restrict the operations of my/our Account, in the event of non-fulfilment of any account opening requirements.
4. The Bank reserves the ABSOLUTE right of closing an account or refusal to open an account in my/our name, and the Bank shall not be subject to the provision of any justification towards the same.
5. The Bank may accept cheques, drafts or other instruments under clearing or collection arrangements, entirely at the Accountholder's own risk for loss, claims, dishonor, non-payment, loss/delay in transit, etc. The value of the un-cleared/un-realized items, if credited, but returned unpaid later, may be debited again to my/our account by the Bank, and I/We shall be responsible to pay its full value back to the Bank, if withdrawn from the Account wholly or partially.
6. In Savings and General Investment Accounts, I/We understand and agree that the Bank will employ/invest the funds deposited by me/us with due diligence in Shariah compliant investment, and that the Bank in doing so may incur losses or gain profits. The allocation of such profits/losses as determined by the Bank's policies will be acceptable to us without contestation or proof beyond the general statements of accounts published by the Bank.
7. All Customer Deposits with the Bank shall be managed by the Bank in strict compliance of Shariah principles as determined by the Shariah Board of the Bank.
8. The Accounts of the Bank are to be operated as follows:
  - a. Current Accounts under the Shariah contract of Qard, under which the Bank guarantees the deposited amount for the customer. The deposited amount MUST be paid back to the customer in full upon demand based on agreed reasonable duration.
  - b. Savings and General Investment Accounts (GIA) under the Shariah contract of Mudharabah. The Bank shall share the returns from investing the Saving and GIA deposits with Accountholders on a Profit-Sharing basis at a pre-agreed ratio.
9. In calculating Profit applicable to Investment Accounts the Bank shall be entitled to deduct proportionate administrative costs at actual and a profit share of the Bank as Mudharabah, based on the Profit Sharing Ratio (PSR) as quoted by the Bank and agreed upon by the Accountholder
10. In the event of loss in business/investments, arising without any fault or negligence on part of the Bank, all Investment Accountholders in the Investment Pool shall share the losses in their capacity as Rabbul Mal, on a pro rata basis. The Bank bears the loss of income for in its capacity as Mudharib.
11. Withdrawal may not be made in a fixed term General Investments Account prior to the maturity date. If the Bank approves the withdrawal request by a client for an urgent reason, no profit shall be paid on premature encashment of the deposit.

12. Unless specifically advised by the Accountholder to the contrary, on maturity, a General Investment deposit, instructed for renewal or reinvestment, will be renewed/re-invested for the same period, on whichever terms applicable for the time being in force.
13. The Profit on the amount of the deposit will cease to accrue at the expiration of the period of notice terminating the deposit given by me/us or the Bank and in this case the whole amount of deposit including profit will be transferred to my/our designated Current or Saving account immediately.
14. The Terms & Conditions contained herein shall be deemed to be, and construed as, a part of my/our original account opening application/agreement as if it were agreed between me/us and the Bank ab initio.
15. Advices and statements of Account in respect of my/our Accounts will be provided/ sent by hand or by mail upon request.
16. Notices, advices, statements etc, delivered/posted to my/our address recorded with the Bank, will be assumed to have been rightly/duly served on or sent to me/us.
17. The Bank shall have the right to debit my/our Account with all the expenses and fees and other transaction costs related to my/our dealings and commitments towards the Bank at any time, at its sole discretion, as per its schedule of charges.
18. The Bank shall have the right of lien and set-off and /or disposal in respect of any of my/our rights, funds, profits or assets that are in the custody of the Bank, against any liability on my/our part in favour of the Bank at any time. As a result of exercise of such a right through set-off, merger, combination, consolidation etc. of accounts with any of its branches, if there is a shortfall in clearing my/our liability, I/We undertake to make good any such difference at the Bank's first demand.
19. Subject to MIB Regulations and if permitted by MIB, the Bank may prescribe minimum balance requirements for opening and/or maintaining any Accounts and it shall be my/our responsibility to comply with such minimum balance requirement.
20. In general, my/our signature on the account opening application shall mean acceptance of all the applicable terms, conditions and regulations of the Bank in connection with my/our dealings with the Bank.
21. In accordance with normal banking practice, the Bank will not meet payment of cheques presented for payment more than six months from the date stated in the cheque.
22. It shall be my /our responsibility to verify/approve all correspondence or instructions given by me/us over telephone or send by me/us to the Bank by fax or e-mail in connection with all my/our various accounts and dealings with the Bank and all matters and issues related thereto. I/We also acknowledge that the Bank would normally act only on my/our written/signed instructions and that it would be the Bank's discretion to accept/reject any verbal/telephonic/fax/email instructions.
23. The Bank would carry out all my/our instructions bearing my/our signatures as recorded with the Bank, regardless of how I/We 'actually' sign on any other documents/record.
24. It shall be my/our responsibility to indemnify the Bank against any loss, legal action, damages or claims suffered by the Bank owing to any Incorrect/Incomplete information provided by me/us to the Bank or for any loss, legal action, damages or claims arising out of the Bank agreeing to open/operate an account for me/us in its books.
25. It shall be my/our responsibility to use the account opened with the Bank only for legitimate/legal/allowed and Shariah-compliant personal or business purposes and not for money laundering purpose or any purpose that violates any rules/laws in force.
26. The Bank, in its ABSOLUTE discretion, may issue me a cheque book for withdrawals from my/our account and may, at its discretion, withdraw or recall the same. The Bank may also refuse to allow withdrawals except through such cheques.

27. I/We would be completely responsible for the safe custody of any cheque book and shall immediately notify the Bank, in writing, if a cheque book or any leaf from it, is lost/stolen. In such a case, the Bank may, at its discretion, accept/place a 'stop payment' instruction from me/us against such cheques. Stop payment instructions given over the telephone shall have to be supported by a written request to be sent within 24 hours. Further, I/We undertake to indemnify the Bank and hold it harmless against any loss, claims or legal action arising out of any accidental payment of such cheques due to rush of work or any other legitimate reason.
28. The Bank is authorized to reverse any incorrect entries and the amount of profit/loss thereon, accidentally/mistakenly posted to my/our account(s). In case I/We have withdrawn all or part of sum wrongly/mistakenly credited to my/our account, I/We undertake to re-deposit that sum immediately on being notified of the wrong credit to my/our account, without contestation or delay.
29. The Bank shall be fully authorized to deduct/ withhold any duties/taxes/levies in any form and provide any information, as required under any applicable rules/laws in force, without referring to me/us.
30. In case of conflicting instructions received from two authorized signatories to my/our Account or relating to my/our joint account, the Bank would be authorized to act at its discretion or stop operations in the account until such time as the dispute is resolved to the satisfaction of the Bank.
31. In the event of my/our death, it is the presumption of the Bank for all practical purposes that the account holder is alive until the Bank is presented with a copy of the death certificate or confirmation of the deceased issued by an Official Authority in Maldives. Upon receipt of the confirmation, the bank is entitled to freeze my/our account, after which the credit balances in my/our accounts shall be released by the Bank only against a valid succession certificate, order of the court, letter of administration probate.
32. Cash withdrawals from my/our accounts foreign currency, would be subject to availability of foreign currency notes with the Bank at the time of withdrawal.
33. Withdrawals from, or deposits to, my/our foreign currency accounts would be subject to foreign exchange rules and regulations of the Maldives Islamic Bank or the Government of Maldives, currently in force and as amended from time to time. I/We agree further that, the Bank's interpretation/determination of whether or not it is able to allow any such deposits/ withdrawals, shall be final and binding on me/us.
34. The Bank may, at its discretion, disallow/restrict the operation(s) in my/our account(s), if the Bank is of the view that the account operation(s) is non-compliant with these Terms & Conditions or Information form is not in line with the information/documents provided to the Bank for the operation of the account. The operation of the account shall be reactivated once I/We comply with these terms and conditions.
35. The Bank may stop/suspend operations in my/our accounts or close/freeze my/our accounts in pursuance of any court or administrative order, without reference to me/us.
36. Where the Bank deems it necessary for the protection of its interests or to comply with Applicable Laws or its internal policies (including if you or any of your Affiliates becomes subject to Sanctions or in the event of any action or proceeding being taken against you or any of your Affiliates), the Bank may at any time suspend or freeze your Account (including freezing or blocking any Card or online service), block your transactions and/or put a hold on your Account until internal investigations of the Bank are completed and a decision is made in respect of continuation of the Account with the Bank or to close the Account
37. Any actions taken by the Bank under Clause 36 shall be notified to the Customer within 24 hours of taking such action and the Bank shall take all reasonable steps to expedite the internal investigations.
38. The Bank, its Head Office, subsidiary offices, branches, or any of its officers shall not be liable for unavailability of funds credited to my/our accounts due to any legal restrictions imposed by relevant government agencies, involuntary transfer, acts of war, civil strife, industrial action, acts of nature or other causes beyond the control of the Bank.

39. The Bank is authorized by me/us to respond, at its discretion, to any or all enquiries received from authorized government agencies, domestic and international, where in so far obligated under any law for the time being in force, concerning my/our accounts, without reference to me/us.
40. In case I/We request the Bank to 'hold my/our mail', i.e. not to mail any notices, advices, statements etc. to my/our given address, without any responsibility obligations on part of the Bank, so that I/We may collect it myself/ourselves at my/our convenience, such notice, advice or statements will be considered as having been duly delivered to me, while being held by the Bank and I/We shall hold the Bank harmless against any liability/consequences of non-delivery to me/us of such notice, advice or statement on time.
41. Generally, all the services/facilities provided by the Bank shall be subject to the Bank's Schedule of Charges, currently in force and may be amended from time to time and available on request.
42. The profit-sharing ratio between the Bank and the Account holder, along with weightages if any, will be announced by the bank at the beginning of each financial term relevant for profit calculation which will be available on the Bank's website and on the notice board of the Bank's branch premises.
43. All saving, and GIA account holders will enter a partnership of Shariah contract Shirka-al-Aqd by signing this Account Opening Application.
44. The Bank reserves the right to modify these Terms from time to time. The revised or modified Terms will become effective upon notice being given to me/us, such notice being deemed to have been properly given, if made through any means of general notice decided by the Bank.
45. The Bank may, at its discretion, declare a savings or current Account to be dormant in the absence of any transaction or written correspondence for a period of twenty-four (24) continuous months.
46. Once an account is treated as dormant, the customer will be informed accordingly, and the Bank reserves the right to charge dormant account maintenance fee as per the List of Bank Charges published in the official website of the Bank.
47. If the customer's account balance is lower than the dormant account maintenance fee for more than 3 months, the Bank reserves the right to close the account unilaterally.
48. At account closure, Profit for Savings and Kids account will be credited up to the last completed calendar month. For the avoidance of doubt, no profits will be paid for the month account is closed.
49. In case of auto renewal of a GIA with profit, the GIA will be renewed with the accrued profits for the completed calendar months of the GIA cycle. Upon completion of the last calendar month of previous GIA cycle, the accrued profit for the remaining part of the previous cycle of the GIA will be added to the renewed GIA balance.
50. Any Current Account or Saving Account linked to the GIA for receiving the profits of the GIA can only be closed after the maturity or closure of that GIA and after relevant profits being credited to such Current Account or Saving Account.
51. Wakalah Deposit Account
  - 51.1 The Customer(s) as "Muwakkil" appoints Maldives Islamic Bank ("the Bank"), to be its agent ("Wakeel") for investment of the Customer's funds deposited to the account.
  - 51.2 The Bank is hereby authorized to enter into Shari'ah compliant transactions on behalf of the Customer and for the Customer's account and to do all acts as fully as the Customer could do himself with respect to such transactions through purchase agreements, sales agreements or other agreements and to negotiate on behalf of the Customer in relation thereto and to exercise on the Customer's behalf all other related powers necessary to enable it to fulfil its obligations under this agreement.
  - 51.3 The Customer assures the Bank that the Bank has the legal capacity to enter into Wakalah Transactions.

- 51.4 The Bank does not in any form guarantee the capital/deposited Amount/Investment or the Anticipated Profit.
- 51.5 The Bank has the right to appoint a sub agent to delegate all or part of its rights and responsibilities.
- 51.6 Wakalah Transactions may be carried out for and on behalf of the Customer but in the name of the Bank, or in the name of such agent as the Bank selects. In such cases the rights and responsibilities arising from that transaction shall be assumed by the Customer; and any intended effect of the transaction entered into by the Bank shall be binding on the Customer (Customer).
- 51.7 The Bank may at times, simultaneously undertake to act as an agent for more than one Customer in a Wakalah Transaction.
- 51.8 Where an arrangement involves more than one Customer as contracting parties (whether or not the arrangement involves one or more transactions such as seller and buyer or lessor and lessee), the Bank may act for all of the principals.
- 51.9 The Bank shall invest the funds in the Customer account in its business, and upon maturity provide the proceeds of the investment (principal plus profit (if any) minus Wakalah fee if applicable) to Customer.
- 51.10 Customer may apply to do early withdrawal. In case of early withdrawal, the Customer agrees to forfeit the profit that is accrued if any.
- 51.11 Customer agrees that, if there is any profit equal or below the Anticipated Profit, the Bank will pay the actual profit to the Customer and if the Bank earns profit more than the anticipated profit, then the bank has the right to retain the excess amount as an incentive. If there is any loss, the customer will absorb the loss unless it is due to wilful misconduct or gross negligence or breach of specific terms by the Bank.
- 51.12 The Customer as principal shall bear all the risks associated with the acts of the Bank as agent for the Customer except those risks resulting from the Bank's wilful misconduct or gross negligence or breach of specific terms.
- 51.13 Wakalah Transactions shall be carried out for and on behalf of the Customer but in the name of the Bank or in the name of such agent as the Bank selects.
- 51.14 For the provision of its services hereunder, the Bank shall be entitled to pre agreed and determined Wakalah fee specified in the List of Bank Charges, which may be revised from time to time at the discretion of the Bank.
- 51.15 The information related to the Wakalah Deposit account i.e. Anticipated Profit and Wakalah Fee (if any) will be published in the Bank website from time to time and the bank has the discretion to amend the Anticipated Profit and Wakalah Fee from time to time, without any notice to the Customer.
- 51.16 Specific to Unrestricted Wakalah Investment
- 51.16.1 The Bank will invest the fund to the general Wakalah Deposit pool.
- 51.16.2 The Investment assets shall not be specified.