



MALDIVES ISLAMIC BANK

TERMS AND CONDITIONS FOR SWIFT TRANSFERS / INTERNATIONAL PAYMENTS



INTRODUCTION

The Application for SWIFT Transfer/International Payments (the “**Application**”) of Maldives Islamic Bank Plc (the “**Bank**”) is made subject to the following terms and conditions.

The Applicant acknowledge and agree that they have read and understood these Terms and Conditions and confirm that all particulars the Customer/Applicant have provided to Bank in connection with this application are true and correct.

The Bank reserves the right to amend the terms of the Agreement from time to time by publishing the Terms and Conditions (as amended) on the website of the Bank. Any such variation will become effective immediately upon such publication.

The publication of the Terms and Conditions (as amended) on the Bank’s website shall be deemed notification of the same to the Customer.

DEFINITION

Applicant / Customer	means a customer of the Bank who submits the relevant Application to the Bank.
Agent or Wakeel	means individual or entity appointed by the principal (the <i>Muwakkil</i>) to act on their behalf under a Wakalah (agency) arrangement.
Bank	means Maldives Islamic Bank Plc, its successors and assignees.
Beneficiary	means the person or organization to whom the payment is made.
Beneficiary’s Bank	Means the financial institution where the beneficiary holds an account and where funds are transferred or paid.
Facilities	Means the financing facility approved by the Bank for the Customer/Applicant.
Fedwire ID or Routing Transit Number	A Fedwire ID, also known as the Routing Transit Number (RTN), is a nine-digit code used by banks in the United States to identify the specific bank or financial institution during domestic transactions.
Foreign Bank Charges	Means the fees imposed by overseas or intermediary banks involved in processing international transactions, such as wire transfers, letters of credit, or currency exchanges.
IBAN Number or International Bank Account Number	means an internationally standardized format for identifying bank accounts across borders. It includes the country code, two check digits,

	and a series of alphanumeric characters that represent the domestic bank account number.
LC or Letter of Credit	Means a financial document issued by a bank or financial institution on behalf of the Applicant (buyer), guaranteeing payment to a beneficiary (seller) for goods or services, provided that the beneficiary meets specified terms and conditions outlined in the LC.
List of Bank Charges	means list of all charges and fees levied in connection with the services provided by the Bank which is published on the Bank's official website.
Remitter	Means the Applicant that initiates a payment or funds transfer.
Reimbursement Authorities	means to the instructions or authorizations given by the issuing bank of a Letter of Credit (LC) to a third-party bank, known as the reimbursing bank, to make payments to the beneficiary or their bank upon presentation of compliant documents. This authority outlines the conditions under which the reimbursing bank can disburse funds on behalf of the issuing bank and is typically used in international trade to facilitate smooth settlement processes between banks. The issuing bank then reimburses the reimbursing bank for the payment made under the LC.
Sort Code	Means a six-digit number used primarily in the UK and Ireland to identify specific banks and branches when transferring funds domestically.
SWIFT	means Society for Worldwide Interbank Financial Telecommunications.
Swift Code Or Society for Worldwide Interbank Financial Telecommunication Code	Means an internationally recognized code used to identify specific banks and financial institutions worldwide during international transactions.

1. SWIFT TRANSFER

- 1.1 It is understood that the SWIFT transfers/International Payments are sent entirely at the Applicant's own risk and in no event shall the Bank under any circumstances be liable for, indirect or consequential loss or damages. The Bank may refuse to process the Application if the funds in the Applicant's account are insufficient.
- 1.2 Applications for SWIFT transfers/International Payments shall be submitted to the Bank through any method accepted by the Bank at the time of application, including, but not limited to, original written applications or digital banking channels. The Bank reserves the right, without being subject to scrutiny or liability, to reject any instructions where there is ambiguity, inconsistency of information, illegibility, or any doubt regarding authenticity.

- 1.3 In the absence of specific instruction by the Applicant, the SWIFT transfer/International Payment will be affected in the currency of the country in which payment is to be made.
- 1.4 In the absence of specific instruction provided by the Applicant, all charges / commissions incurred outside the Maldives are for the account of the Beneficiary.
- 1.5 If 'Foreign Bank Charges' are to be paid by the Applicant, it is understood that the Beneficiary's Bank would receive the full amount, and it is solely at the discretion of the Beneficiary's Bank to either pay the Beneficiary net of the charges or the full amount. If the Beneficiary Bank claims the charges, the Bank reserves the right to pay charges by debit to the Applicant's account.
- 1.6 The Bank reserves the rights to process any application for a SWIFT transfer from any correspondent bank of the Bank's choice, other than the one specified by the Remitter if operational circumstances so require.
- 1.7 The Bank reserves the right to use any Correspondent or Agent to affect this SWIFT transfer.
- 1.8 The Bank will use reasonable endeavours to process Applications received by the Bank before the specified cut-off time. Applications received after such cut-off time will be processed on the next working day. However, beneficiary receiving funds will be subject to cut-off time related to the geographical location of the correspondent or intermediaries and the destination.
- 1.9 The Beneficiary's Bank Swift Code / Sort Code / Fedwire ID / IBAN Number or any such code mentioned in the Application Form by the Applicant will be considered as correct and the remittance will be affected accordingly, assuming correctness of the given codes. The Bank will not validate Beneficiary's account number nor Beneficiary's name, as this information is not available to the Bank.
- 1.10 Neither the Bank nor any of its correspondents or agents shall be liable for any loss or damage whatsoever due to:
 - 1.10.1 erroneous or incomplete information provided to the Bank;
 - 1.10.2 insufficient funds to process the SWIFT transfer/ Transaction;
 - 1.10.3 delays or faults of any kind in the Transaction, or in any message or instruction via any available channel;
 - 1.10.4 delay or error in or failure in locating or identifying the Beneficiary;
 - 1.10.5 refusal or inability of the Bank's correspondent or agent to effect payment by reason of any law, regulations, guidelines, court orders, directives, act or decree of any government or regulatory authorities; and
 - 1.10.6 any other cause or reason whatsoever beyond the Bank's and its correspondents' or agents' control
- 1.11 In the event of any abnormalities in Fund Transfer activity, the Applicant is liable to promptly inform/report it to the Bank. As stated in 1.10 above, the liability of the transfer remains with the Applicant, The Bank will make reasonable efforts to stop or cancel the payment. However, the Bank will not be liable for any cost, loss or damages for acting in good faith on the Applicants instructions.

- 1.12 If a refund of the remittance amount is desired from the Bank by the Applicant after payment is already processed, it is understood that the refund of payment will be made only when the Bank is in possession of the returned funds. This is subject to the Beneficiary and/or their Bank agreeing to the request for cancellation and returning the funds to the Bank. The Bank will not bear responsibility or liability towards the Applicant if the Beneficiary fails to return the funds.
- 1.13 If a refund of the remittance amount is received from the beneficiary's Bank, the Bank shall, at its discretion make the payment to the Applicant's account at the prevailing buying rate for the relevant currency less all charges and expenses.
- 1.14 Unless prior arrangement is made, SWIFT/Telegraphic transfer charges, payment fate/status enquiries, stop payment and cancellation request charges will be debited to the Applicant's account as detailed in the Bank's 'List of Bank Charges' (please refer to the Bank's website at www.mib.com.mv for the applicable fees and charges). The Bank reserves the right to revise all remittance charges from time to time without prior notice
- 1.15 In the event that the Application is cancelled, or the funds transferred is not accepted, rejected or returned pursuant to Clause 1.12 and Clause 1.2 above, refunds of the transaction to the Applicant will be made only after the Bank receives confirmation from the Beneficiary's bank or its correspondent or agent that the funds transferred are at the Bank's free disposal. Refunds are made subject to payment of the Bank's charges and expenses (if any) and at the Bank's prevailing buying rate for that currency. Refunds will be made in Maldivian Rufiyaa ("MVR") or in the currency which the transaction was affected. If there is no market in Maldives for such currency, the Bank is entitled to refund the Applicant in MVR. The Applicant shall be liable for all losses, costs, expenses resulting this.

2. LETTER OF CREDIT (LC)

Subject to the credit limit for the Letter of Credit Facility (LC), the Sub-Limits for applicable part of the facilities and the provisions of the agreement, the Customer may from time to time utilize the Letter of Credit Facility for opening sight (local and foreign), back-to-back and other letters of credit upon the following Terms and Conditions;

- 2.1 The Applicant shall make a request to open a letter of credit via means accepted by the Bank.
- 2.2 The Applicant understands that the Applicant should not open additional LC's against the Application with another Bank.
- 2.3 Applicant understands that the LC will be routed through the issuing Banks correspondent banking network.
- 2.4 In consideration of the Bank agreeing to open the LC, the Applicant undertakes:
- 2.4.1 to deposit an amount equivalent to 100% of the total LC amount, together with any applicable tolerance percentage, under the concept of Wakalah.
- 2.4.2 the utilization of the LC limit subject to the availability of the approved limit, under the concept of Murabahah.
- 2.5 The deposit mentioned in clause 2.4.1, shall be received by the Bank (Agent/Wakeel) under the principle of Amanah, and the said amount may be invested by the Bank under the Mudharabah concept.

- 2.6 The Applicant irrevocably authorize the Bank, to debit the Applicant's account with any amount under the LC with commissions and/or other expenses together with those of Banks' correspondents and/or agents charges, where applicable, and the Bank shall be entitled to debit such amounts from any account maintained by the Applicant with the Bank.
- 2.7 The Applicant agrees to pay the Bank an Agency Fee (under the principle of Ujr) for services provided under the Wakalah arrangement. The applicable Agency Fee shall be in accordance with the List of Bank Charges, as published and amended from time to time. The Agency Fee may range between 0.10% and 0.35% of the relevant transaction amount, or such other amount as may be stipulated in the List of Bank Charges at the time of the transaction. The Applicant acknowledges and agrees that the Bank reserves the right to revise its List of Bank Charges, and any such revisions shall be binding upon the Applicant upon publication.
- 2.8 The Customer shall execute the Letter of Set-off for the placement, and the Agent (MIB) shall use this placement to settle the price of the goods under the Pro forma Invoice demanded by the advising Bank. This set-off shall be effected only upon the Customer's submission of the complete set of required documents.
- 2.9 The Applicant confirms eligibility to import the goods mentioned in the LC.
- 2.10 The Applicant undertake to provide or make arrangements for necessary import / export / other licences and all insurance necessary to fully protect the shipment.
- 2.11 The Applicant must ensure that the goods covered under LC are not prohibited by Islamic Shariah and is permitted to be imported to the country.
- 2.12 The Applicant confirms the carrying vessel and the ports from/to which the goods are shipped are free from embargos and there are no sanctions imposed on the vessels and ports involved.
- 2.13 The Applicant warrant that to the best of its knowledge, neither the Beneficiary nor the suppliers of the goods are subject to any boycott or blacklisting.
- 2.14 The Applicant agrees to indemnify and hold harmless the Bank and its Correspondents against any loss or damage which may happen to goods either before or during its transit or after its arrival or by reason of non-insurance or improper or inadequate insurance or difference between the goods shipped and goods mentioned in the documents handed over to the Bank.
- 2.15 The Applicant authorizes the Bank to issue the LC with default instructions, in case of incomplete information provided by the Applicant.
- 2.16 The Applicant undertake to indemnify and hold harmless the Bank and its representatives from and against any and all suits, proceedings, costs (including legal costs and expenses), claims, charges, losses and liabilities which the Bank and its representatives, may incur directly or indirectly on account of this LC (including, without limitation, any amendments thereto).

- 2.17 The Applicant agrees that in the event the applicant take possession of the goods prior to the Bank having received the documents and such documents being released by the Bank to the Applicant, the Applicant irrevocably forfeit all rights to refuse such documents for not being in conformity with the Terms and Conditions of the LC.
- 2.18 The Applicant acknowledge and agree that the Bank's obligation to accept documents and/or make payments shall be effective subject to the Bank is satisfied that any and all documents presented under the LC comply to the Terms and Conditions of the LC (irrespective of whether the same are negotiated or not).
- 2.19 The Bank reserve the right to reject any non-complying presentation of documents under the LC, even if the Applicant instructs the Bank to waive all discrepancies.
- 2.20 The Applicant agrees and confirm that the LC is subject to the Terms and Conditions as contained herein and any other Letter of Credit facility agreement entered into between Applicant and the Bank.
- 2.21 This obligation will remain in effect despite any changes in partnership of the applicant arising from death, retirement or the addition of one or more partners.
- 2.22 In the event the LC is not drawn, the Applicant is liable to the Bank for any and all charges, including, correspondent charges incurred for processing Applicants request.
- 2.23 LC issued can only be cancelled or amended with the consent of all parties involved.
- 2.24 The LC is issued subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision), ICC Publication No. 600 (UCP 600). Unless otherwise specified, terms used herein shall have the same meaning as in UCP 600. Any reimbursement authorisation issued shall be subject to the Uniform Rules for Bank-to-Bank reimbursements under Documentary Credits, ICC Publication No. 725 (URR 725).
- 2.25 The Applicant shall arrange to deposit USD Dollar funds from sources other than the Bank to enable timely retirement of LCs availed to the applicant.
- 2.26 If Goods received under by this LC are released pursuant to a shipping guarantee or a letter of indemnity, Applicant is deemed to have accepted and/or waived all discrepancies in the documents presented under the LC.

3. GENERAL TERMS

- 3.1 By submitting an application under these Terms and Conditions, the Applicant irrevocably agrees to be bound by, and to comply with, these Terms and Conditions as a legally binding agreement.
- 3.2 The Applicant is solely responsible for the accuracy and completeness of all payment instructions and beneficiary details provided to the Bank. The Bank shall not be liable for any loss, delay, deduction, or mis-direction of funds arising from any incorrect, incomplete, or unclear information provided by the Applicant.

- 3.3 Any amendment, investigation, recall, or correspondent bank charges incurred as a result of incorrect, incomplete, or unclear payment instructions provided by the Applicant shall be borne solely by the Applicant and may be debited from the Applicant's account without prior notice.
- 3.4 Once a transfer has been executed in accordance with the Applicant's instructions, the Bank shall have no obligation to recall, reverse, or recover the funds. Any attempt by the Bank to seek recovery shall be made solely at the Applicant's request and risk, and shall be subject to the consent and procedures of the beneficiary and/or intermediary banks.
- 3.5 The Bank reserves the right to reject the Application without providing any reason for doing so and shall not be liable to any consequential loss or damages in any form or manner.
- 3.6 The Bank reserves the right to treat International Payments received after business hours or at any time on the weekend or on a public holiday as received on the next business day. International Payments for same day value are subject to cut-off-time related to the geographical location of the destination.
- 3.7 In the event that an International Payment is returned by an Overseas Financial Institution, the Bank will credit the Applicant's designated account with the equivalent of the amount received, at the prevailing buying rate of exchange for that currency on the date that the Bank credits the Applicant's account.
- 3.8 The Bank reserves the right to treat International Payments received after business hours or at any time on the weekend or on a public holiday as received on the next business day. International Payments for same day value are subject to cut-off-time related to the geographical location of the destination.
- 3.9 The Bank reserves the right to disclose/share information to the law enforcement agency, relevant authorities and any entity legally entitled to demand for such information relating to the SWIFT Transfer, Letter of Credit pursuant to a legal duty or responsibility to do so or such laws and regulations applicable thereon.
- 3.10 Anti-Money Laundering/Unlawful Transactions - The Bank may decline to make a payment it believes might involve a breach by any person of a law or regulation of any country or the correspondent Bank. A payment may be delayed or declined because an authority involved in the payment requires information or clarification as to compliance with the law or regulations or declines to process it. It is also understood that Applicant may be required to answer/provide additional written questions/information under some circumstances before and after the remittance requests are processed by the Bank.
- 3.11 In relation to the Application, there may occur an event relating to specific laws, sanctions, orders, directives and regulations imposed and enforced against certain jurisdictions, individuals or entities by the United Nations, the United States of America, the European Union or other governmental authorities, whereby the Bank and/or any other parties may be unable to proceed with that which may involve a breach of these laws, sanctions, orders, directives and regulations. In this regard, the Applicant agrees that the Bank is not liable or responsible for any liability, loss, damages, costs, charges and/or expenses arising out of or in relation to the occurrence of such an event and not proceeding with the Transaction.
- 3.12 These Terms and Conditions will automatically stand amended, subject to the amendments required by the Correspondent Banks, Laws and Regulations or instructions imposed by the Maldives Monetary Authority.



- 3.13 The Bank reserves the right to add, amend, alter, vary and modify any or all of these Terms and Conditions at any time at its own discretion without any notice. No waiver in favor of the Applicant shall be effective unless it is in writing and is signed by the party asserted to have granted such waiver.
- 3.14 These Terms & Conditions are governed by the laws of the Republic of Maldives. In this regard all disputes arising in connection with these Terms and Conditions shall be tried and litigated exclusively in the Civil Court, Male' in the first instance. As such, the Applicant waives any right that the Applicant may have to assert under the applicable law to object to the jurisdiction or venue with respect to any proceeding brought in accordance with this paragraph for the purpose of litigating any dispute, controversy, or proceeding arising out of or related to this Terms and Conditions.

4. LODGEMENT OF COMPLAINTS AND RESOLUTION:

- 4.1 Any complaint or unauthorized fund transfer the Applicant shall inform the Bank via the Applynow Portal:
- 4.2 It is the responsibility of the Customer to promptly inform/report to the Bank in any event of irregular fund transfer.
- 4.3 Upon receipt such complaint, the Bank shall Investigate the issue and shall take the necessary corrective action as required.

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