

Islamic Account Opening Terms and Conditions

Introduction:

These consolidated Terms and Conditions govern each account (hereinafter referred to as the “Account”) opened or held by the Customer/Account Holder/Joint Account Holder with The National Bank of Fujairah PJSC, United Arab Emirates (hereinafter referred to as the “Bank”). The Customer/Account Holder/Joint Account Holder’s signature(s) herein constitute acceptance of these Terms and Conditions as amended from time to time and the Customer/Account Holder/Joint Account Holder is/are bound by these Terms and Conditions in respect of all banking relationship with the Bank. These consolidated Terms and Conditions govern the entire general banking relationship between the Customer/Account Holder/Joint Account Holder and the Bank save and except that if any particular banking relationship between the Customer/Account Holder/Joint Account Holder and the Bank is governed by a separate agreement or specific terms and conditions, that agreement or those specific terms and conditions shall prevail over these terms and conditions to the extent that the provisions of that agreement or those specific terms and conditions (as the case may be) conflict with these terms and conditions. The reference to Customer/Account Holder/Joint Account Holder hereunder shall be referred to as (“Customer”); the headings in these Terms and Conditions are for convenience and will be ignored in construing the Terms and Conditions. Unless the context otherwise requires, the singular shall include the plural and vice versa and the masculine gender shall include the feminine gender and vice versa.

The Bank shall notify the Customer when adding an addendum to these Terms and Conditions for the purpose of adding any additional terms and conditions for any type of accounts and banking services that are not specified by these Terms and Conditions or for the completion thereof (the “Addendum”) at any time but provided that the terms and conditions of Such Addendum shall not contradict with the laws, the Central Bank’s directions and regulations and the rules and principles of Islamic Shari’a by displaying the Addendum at the branches of the Bank, on the Bank’s website and/or by any other acceptable means of notification of such Addendum. The Customer shall be deemed to have accepted the changes stipulated in the Addendum if the Customer does not close all his/her Accounts with the Bank or utilizes any of the banking services within (60) sixty days of notification reception. Unless provided to the contrary in these Terms and Conditions, the changes shall take effect upon the expiry of the above mentioned period.

First: General Terms and Conditions:

1. Governing Law & Jurisdiction:

The law governing these Terms and Conditions is that of the United Arab Emirates ("UAE"), UAE Central Bank Instructions (the "Central Bank"), and the Fatwa's issued by the Shari'a Supervisory Board of the Bank ("Shari'a Supervisory Board"), and the provisions of noble Islamic Shari'a. In the event of any dispute arising in relation to the Account or these Terms and Conditions, the Commercial Courts of Dubai will have jurisdiction provided that the Bank may, in its absolute discretion, bring proceedings in any other jurisdiction in which the Customer resides, has assets or conducts business inside or outside UAE.

2. Set-Off and Consolidation Rights

In addition to any general lien or any other right or remedy to which the Bank may be entitled, the Bank may at any time and from time to time, without notice or demand combine and/or consolidate all or any of the Customer's Accounts (including the termination of any Investment Deposit or any other deposit prior of their maturity dates) and liabilities (in each case denominated in any currency) with the Bank in the UAE, whether singly or jointly with any other person or set off all or any monies (denominated in any currency) standing to the credit of such Accounts including the Customer's deposits with the Bank (whether matured or not) towards satisfaction of any of the Customer's liabilities (denominated in any currency) to the Bank in the UAE, whether as principal or surety, actual or contingent, primary or collateral, singly or jointly with any other person. The Bank may effect any necessary or related currency conversions at the Bank's own rate of exchange then prevailing. The Bank is not liable for any loss and or damage of whatsoever nature incurred to the Customer due to such actions taken by the Bank to protect its rights.

3. Indemnity

The Customer hereby agrees to fully indemnify and hold harmless the Bank, its officers, employees or agents against any liability, loss, charge, demand, proceedings, cost (including legal fees), or expense, which the Bank may suffer, pay or incur as a result of the Bank, its officer, employee or agents acting upon or delaying or refraining from acting upon instructions of the Customer or purporting to be from the Customer or which the Bank believes have not been issued by or for the Customer or in any way in connection with the Account, these Terms and Conditions, or in enforcing these Terms and Conditions and in recovering of any amounts due to the Bank or incurred by the Bank in any legal proceedings of any nature.

4. Sanctions Indemnity:

The Customer hereby agrees to fully indemnify and hold harmless the Bank, its officers, employees or agents against any liability, loss, charge, demand, proceedings, cost (including legal fees), or expense, which the Bank may suffer, pay or incur as a result of the Bank processing transaction(s) payment(s) at the request of the Customer whereas such transaction(s) payment(s) being blocked by correspondent banks due to the United States of America/ United Nations/ any other sanctions issued by any entity whatsoever.

5. Waiver

No forbearance, neglect or waiver by the Bank in the exercise or enforcement of any right or remedy arising from any of these terms and conditions will prejudice the Bank's right thereafter to strictly enforce the same. No waiver by the Bank will be effective unless it is in writing.

6. Variations

The Customer is deemed to have read, understood and agreed to be bound by these Terms and Conditions. At any time, the Bank may change, add, amend, supersede or supplement any or all of the provisions of these Terms and Conditions. The Bank will notify all Customers in writing of any change/amendment to these Terms and Conditions and such amendments will be effective from the date of such change as notified to all the Customers. However, such changes are deemed to be binding on the Customer whether or not the Customer has received specific notice in person of such amendments.

7. Severability

If any provision in these Terms and Conditions is found to be unenforceable, invalid or illegal, such provision will be deemed to be deleted and the remainder of these Terms and Conditions will be unaffected by such unenforceability, invalidity or illegality.

8. Force Majeure

The Bank shall not be liable for its inability to pay due to restrictions on convertibility or transferability, requisitions, involuntary transfers, acts of war or civil strife or other similar causes beyond the Bank's control. In such event no other office, branch, subsidiary or affiliate of the Bank shall be responsible or liable to the Customer.

9. Assignment

The Bank may, with a (60) sixty days notice to the Customer, at its own discretion assign the whole or any part of its rights and obligations under these Terms and Conditions. The obligations of the Customer under these Terms and Conditions may not be assigned in whole or in part, without obtaining prior written consent of the Bank.

10. Records

a. The Bank is entitled to record all communication and conversations (including telephone conversations) with the Customer and/or any authorized representative of the Customer and messages and/or instructions sent to the Bank whether by telephone, in person, voice, use of a touch-tone key pad, electronically or otherwise and transactions conducted by or through any such medium. The Bank's record of all such communications, conversations, instructions, messages and transactions will be conclusive and binding on the Customer for all purposes.

b. The Customer should keep all correspondences relating to the Account in a secure safe place for future references. The Customer should keep all correspondences relating to the

11. Notices

Save as otherwise provided in these Terms and Conditions, any demand or communication made by the Bank under these Terms and Conditions will be in writing in English and made at the address given by the Customer (or such other address as the Customer may notify the Bank from time to time) and, if posted, will be deemed to have been served on the Customer on the date of posting.

12. Documents

National Bank of Fujairah PJSC ("Bank") can decline any product application at its sole absolute discretion, without providing any reason(s), and such unprocessed application's related supporting document(s), cheque(s) etc. (the "Documents") would form part of the Bank's records, and will not be returned to the Applicant(s). The Bank also has the right to destroy the Documents as it deems appropriate.

13. By signing the application form and the Terms and Conditions, Customer confirms having read, understood and approved the same and further confirms his / their prior approval to any amendments to the same.

Second: Terms and Conditions Governing Accounts

A. Definitions

Unless the context requires otherwise, the following terms and expressions shall have the meaning set out below:

'Account(s)' means any bank account(s) opened and operated by the Customer with the Bank in accordance to the rules and Principles of Islamic Shari'a, these Terms and Conditions of the Bank and where the context requires, shall include the Current Account and/or the Mudaraba Accounts (either for a specified or unspecified period, such as Investment Deposit Accounts or Savings Account).

'Account Opening Application' means a duly signed application (in the Bank's standard format) including the declaration/mandate submitted by the Customer for opening an Account in his/her name by giving full information/details as required in the application.

'ATM' means an Automated Teller Machine of the Bank having cash withdrawal facility and with or without deposit of cash facility including other facilities provided by the Bank or any Card operated machine/device whether belonging to the Bank or other participating banks or financial institutions nominated from time to time by the Bank, which accepts the Card.

'Available Funds' means the available balance in the account.

'Bank' means The National Bank of Fujairah, its successors and assignees.

'Business Day' means any day on which the Bank is open for business in the UAE.

'Card' means a Debit Card issued by the Bank to the Customer (includes new, renewed, reissued and replacement Card), which is used to avail the Card services provided by the Bank, or access the available funds held in the Customer's Account.

'Customer' means one or more individual persons that have jointly or severally, opened and are maintaining an Account with the Bank in his/their name as identified in the Account Opening Application, or the authorised Power of Attorney holder of the Customer.

'Current Account' means the account based on a benevolent loan granted to the Bank and is guaranteed by the Bank.

'Cardholder' means a Customer, having an Account with the Bank in his/their name as mentioned in the Account Opening Application, which is linked to the Card issued by the Bank bearing his/their name.

'Card Number' is the sixteen-digit number printed or embossed on the face of the Card.

'Card Transactions' means any Financial or Non-Financial Transactions by using the Card with or without use of the PIN or Signature, regardless of any slip or other voucher signed by the Cardholder(s).

'Cash Withdrawal' means any amounts withdrawn in any manner provided under these Terms and Conditions by debiting the Customer's Account.

'Cash Deposit' means any amounts deposited in any manner provided under these Terms and Conditions by crediting the Account of the Customer.

'Charges' means amounts (including any fees, commission or charges) payable by the Customer arising from usage of services under these Terms and Conditions and includes, without limitation all transactions fees, finance charges, additional expenses, damages, legal costs, which shall be debited to the Customer's Account.

'Default Limit' means the daily limit set for usage on the Card for Cash Withdrawal or purchase of goods and services, subject to availability of funds in the Customer's Account. The set default limit on the Card may be changed at any time by the Bank.

'Financial Transaction' means any function or services provided by the Bank, which involve any financial impact on the Customer's Account.

'International Transactions' means the transactions performed by the Customer outside United Arab Emirates.

'Investment Deposit' means the funds invested in the Investment Deposit Account.

'Investment Deposit Account' means the deposit Account (term deposit Account) based on Mudaraba opened and maintained by the Customer with the Bank for a pre-specified period.

'Investment Period' means a period of one, three, six, nine or twelve calendar months or any other period approved by the Bank as may be selected by the Customer in respect of the tenure of an Investment Deposit.

'Investment Risk Reserves' means the reserve maintained by the Bank of the Mudaraba Account holders' Share in the Profit in order to maintain a certain level of profits and protection against future losses incurred by the Mudaraba Account holders in accordance with Clause 2.3.

'Merchant/ Merchant Establishment' means any establishment, corporate entity, person or other virtual establishment, supplying goods and/or services, which accepts/honors the Card as a mode of payment or reservation by the Cardholder.

'Month' means calendar month.

'Mudaraba' means a partnership in profit in which one party provides capital ("Rab-al-Maal" or "Mudaraba Investor") and the other party

provides its expertise, skill and effort in the investment of such capital ("Mudarib" or "Mudaraba Manager"). Profit, if any, is shared between the parties as per an agreed common ratio, unless financial loss (if any) is not due to the Mudarib's negligence. Infringement or violation of the terms and conditions of the contract, it shall be borne solely by the Mudaraba Investor while the Mudarib will lose his efforts and time spent.

'Mudaraba Accounts' means the Investment Deposit Account and the Savings Account, and any other accounts opened on Mudaraba basis.

'Non-Financial Transactions' means usage of any function or services provided by the Bank, which do not involve any financial impact on the Customer's Account.

'Personal Identification Number' (PIN) means a random secure computer generated number by the Bank and issued to the Cardholder(s) to enable the use of the Card at any ATM or POS terminal.

'Point of Sale (POS) Terminal' means an electronic terminal available at Merchant Establishments whether local or international, capable of processing the Card Transaction for purchase of goods & services.

'Profit Calculation Period' means, in relation to a Mudaraba Account, a period of one, three, six, nine or twelve calendar months or any other period as may be required by the Customer at the Account opening date and approved by the Bank. It is the period in relation to which profits on the Mudaraba Account balance shall be calculated from the realised profits.

'Profit Equalization Reserves' means the reserve of the general pool maintained by the Bank (prior of the deduction of the Mudarib's Profit Share) in order to maintain a certain level of return on investment for the Mudaraba Accounts and increase the rights of property owners in accordance with Clause 2.3.

'Profit Payment Date' means the date on which the Bank pays the Mudaraba Account share of the realised and distributed profits which shall be determined as per the rules applied by the Bank and agreed upon with the Mudaraba Account.

'Savings Account' means an account, which is based on Mudaraba and its profit shall be calculated based on the profit earned on any balance maintained above the minimum threshold or average threshold (as may be agreed upon with the Bank).

'Statement of Account' means the Bank's periodic statement sent to the Customer, which includes particulars of the Debit Card transactions conducted by the Customer during the period and debit or credit of the Customer's Account.

'TAKHARUJ' means the sale of the Mudaraba Account's common share in the assets of Mudaraba pool (and the general pool), Profit Equalization Reserves, investment risk reserves (if any and only once available and created by the Bank) and others, and the amount obtained by the Mudaraba Account shall be the return of Takharuj.

'Weightings' means weightings or weighs on which the Mudaraba Account holders' share in the profit is distributed among the Mudaraba Accounts (as defined in Clause 2.3).

B. Terms and Conditions

1. The Bank may open Mudaraba Accounts for the Customer, and may open Current Account for the resident Customer in the UAE (in accordance to the Central Bank's definition of the word "Resident" as may from time to time be amended) and subject always to the laws of the UAE and the Central Bank's regulations without any contradiction with the provisions and principles of the Islamic Shari'a.
2. The Bank is hereby authorised to act on signed instructions, instruments or documents drawn or accepted in accordance with the instructions given in the Account Opening Application or by attorney(s) duly authorised by the Customer without making any enquiry until such time as the Customer gives the Bank written notice to the contrary:
 - (a) for making payments of cheques, bills of exchange, promissory notes, standing orders, issuance of drafts, mail

- and telegraphic transfers, purchases and sales of securities and foreign currency and any other instructions by debiting such Account(s) whether in credit or otherwise; and
- (b) to accept any other instructions regarding such Account(s) including instructions for the closure of such Account(s).
3. The Account number must be quoted on all correspondence with the Bank and when deposits and/or withdrawals are made.
 4. The Customer understands that any funds received by the Bank on the Customer's behalf are to be credited to the relevant Account unless the Bank receives written instructions from the Customer to the contrary.
 5. The Customer understands that the Bank acts only as the Customer's collecting agent and assumes no responsibility for the realization of any items deposited with the Bank for collection. Proceeds of cheques or other instruments deposited are not available for withdrawal until collected by the Bank. The Bank reserves the right to debit any Account that may have been exceptionally credited with an item subsequently unpaid on collection. The Bank may refuse to honor or accept for collection cheques drawn in favor of third parties or if the payee's name is not identical to the Customer's name in the Bank's record. The Bank may, but is not obliged to, decline to pay any cheque presented for payment more than six months after the date of its issue. The Bank will not accept for credit to the Account any cheque or draft in favor of a third party crossed or denoted "Account Payee" (or any words of similar effect) or contrary to Bank records. Any cancellation of any crossing or denoting as mentioned above will be null and void. The Bank does not accept any responsibility in the event of a post-dated cheque being inadvertently or otherwise honored before the due date.
 6. The Bank is always entitled with a (60) sixty days notice to the Customer to levy or impose any banking and other charges and expenses in respect of the Account(s) or in respect of any other banking facilities provided to the Customer by the Bank, and to debit the relevant Account in accordance with the Bank's normal banking procedures. Such charges may be subject to change and are not refundable upon termination of the relevant Account or of any other Account of the Customer.
 7. The Customer hereby authorises the Bank to accept for safekeeping, collection or for any other purpose, any securities or other property deposited with the Bank or received from the Customer and to release or deliver or give up any of these against the Customer's written instructions.
 8. The Customer understands that deposits or withdrawals in respect of an Account may be made at any of the Bank's branches in the United Arab Emirates ("UAE") subject to sufficient funds being available in the relevant Account and the production of evidence of identity satisfactory to the Bank.
 9. In relation to any dealings in respect of the Account, the Bank will not be liable for any loss resulting from the Customer's death, incapacity, insolvency or bankruptcy (or any other analogous event or proceedings) of the Customer (in case of Joint Account, any person identified as Joint Account holder) unless and until the Bank has received a written notice of any such event together with such documentary evidence as the Bank may require. In such circumstances, the Bank at its own discretion may freeze the Account and suspend all dealings in the Account until a duly appointed successor or legal heir is empowered by the Court in order to deal with the Account and/or the Bank will act in accordance with the Court order.
 10. The Bank will not be liable to the Customer for any loss, damage or delay attributable in whole or in part to the act of any government or government agency or any other event outside the Bank's control (including, without limitation, strikes, industrial actions, equipment failures or interruption of power supplies) provided the Bank will in each case endeavor to give notice generally to its customers of any anticipated delays due to any of the above events by notice in its branches or otherwise.
 11. The Customer represents and warrants that the information contained in the Account Opening Application is true and correct as on the date it was given and undertakes to immediately inform the Bank in writing regarding any changes in the details provided in the Account Opening Application. The Customer must inform the Bank promptly in writing if the Customer changes his name, address or contact numbers. The Bank reserves the right to request evidence of the new address. All written notices, statements and other information will be sent to the address or the e-mail address of the first named account holder. If mail is returned from that address and the Bank holds alternative communication details for the Customer, the Bank may attempt to contact the Customer but will continue to send the Statement of Account or any other correspondence at the same address until the Customer has confirmed his new address in writing. It is the Customer's responsibility to ensure that the Bank is provided with accurate and up to date contact details.
 12. The Bank reserves the right to request additional information and/or documentation if the customer opens additional accounts with the Bank. The Bank may also ask the Customer to provide proof of the source of any funds deposited or the underlying transaction for any entry in the account and delay processing any transaction until such proof is provided. The Bank will not be liable or responsible for any delay or loss arising as a result of these enquiries.
 13. The Bank's records alone will be conclusive and binding in case of any dispute.
 14. The Bank reserves the exclusive right to close or to refuse to open any Account, and claim settlement of any balance due to the Bank without assigning any reason whatsoever.
 15. Amounts deposited by the Customer or held in the Customer's name, cannot be assigned or charged by the Customer to any third party by way of security without the prior written approval of the Bank.
 16. The Bank will not be liable for any loss or damage, whether direct or indirect or for any erroneous entry by the Customer, to any cheque, instrument, pay order, remittance or any other item, while the same is in transit from the Bank to the Customer or vice versa, or from the Bank to any other bank or vice versa.
 17. Any letter, advice, Statement of Account or other communication mailed to the Customer's address as recorded in the Bank's records is deemed to be duly received by the Customer.
 18. Any deposit of cash/cheque can be made at the Bank's ATM in UAE. All cash deposits can be made directly at the Bank's ATM or by placing the cash in a sealed envelope dispensed by the ATM with clear instructions signed by the Customer. Any cheque so deposited shall be accepted for collection and the proceeds will be available only after the proceeds are received from the paying Bank and subsequently credited to the Account. Any cash/cheque deposit made at the Bank's ATM and the slip issued in response thereof by the ATM, which exhibits the figure keyed in by the Customer, is subject to verification by the Bank. The Bank's record pertaining to any cash/cheque deposited through Bank's ATM in UAE shall be final and binding on the Customer.
 19. Where the Customer chooses to deposit cash, cheque or uses any other transfer or payment facilities provided by the Bank, the Customer will be solely responsible for advising the correct Account number or customer reference number to which the transfers/ payments are to be made. The Bank shall be not liable for any incorrect transfer of funds due to the Customer's error/ incorrect advice. The Bank shall not be a party to queries or disputes regarding excess, insufficient, late or incorrect transfer/payment or disputes of any nature whatsoever, which may arise between the Customer and the designated beneficiary. The Bank shall not be liable for any loss or damage related to any financial transactions to the Account arising directly or indirectly as a result of any error by the Customer.)
 20. The Customer shall be responsible for paying the Zakat due on his/ her/their funds unless he/she/they authorise the Bank in writing to pay it on his/her/their behalf.
 21. The Bank will not block any merchant codes herein, the customer shall practice his sound in dealing with his preferred dealers.
 22. If the bank decides that only a defined percentages of the customer deposits shall be invested in the joint unrestricted Mudaraba pool to earn profits, then the Bank shall have the right to invest the remaining part of the credit balance in Savings Accounts and Investment Deposits not sharing in Mudaraba Pool and the Bank shall bear the results of such investments. The deposit percentage that Bank shall invest on unrestricted Mudaraba basis in the joint investment pool

shall be subject to change as to be fixed by the Bank from time to time and will be notified at the head office and its branches

C. Types of Accounts

1. Current Accounts

Credit balance in the Current Account is Qard Hasan (loan without profit), and on demand the Bank undertakes to pay the credit balance in full, and does not share the investment profit or bear any risk. The use of the funds received under Qard agreement for current account is at the sole discretion/policy of the Management of the Bank and may change from time to time based on the policies of the Bank. NBF may, in the best interest of the Bank put such funds to profitable use as may be deemed fit, in the best interest of the Bank. Since the account is under the Qard contract, in which there is a commitment from NBF for repayment of the amount received from the Customer only (as loan without profit), NBF is neither under any obligation to share any profit/returns which NBF may realize out of use/deployment/investment of such funds received under Qard Contract, nor does the customer have any right to claim any share in such profits/returns.

2. Mudaraba Accounts

2.1. Qualifying Accounts

Only Mudaraba Accounts which satisfy the minimum or the average balance requirements as agreed upon with the Bank shall be the Qualifying Accounts for receiving profits of the profits accrued ("Qualifying Accounts"). To the extent and for the period any Mudaraba Accounts do not meet the minimum balance or average balance requirements, such Accounts shall:

- (a) be subject to the charges and fees specified in the announced Schedule of Fees; and
- (b) not be entitled to any returns of whatsoever nature (including profit).

2.2. General Terms of Mudaraba Accounts

- (a) Under a Mudaraba Account, the Customer as (the "owner of funds" or "Rab-al-Maal") authorises the Bank which accepted such authorization (as the "Mudarib" to invest the Customer's funds deposited in the Mudaraba Account ("Mudaraba Capital") through a designated Mudaraba pool or General Mudaraba pool or any other Mudaraba pool as may be determined by the Bank according to the provisions and principles of Islamic Shari'a in such manner as the pool capital ("Mudaraba Pool Capital") and the owner of the funds has authorised the fund manager to mix the Mudaraba Capital with its own funds of the equity rights, balances of the of Current Accounts, other accounts deemed as Current Accounts and others in which the Bank is authorised to invest.
- (b) The investment shall include the whole Mudaraba Capital except such amount necessary for the obligatory reserve and for the purposes of cash liquidity as prescribed in the instructions of the Central Bank. If the amount necessary for the purposes of cash liquidity is invested and generated a profit, such profit shall be treated as profits accrued on the Mudaraba Capital.
- (c) The Customer may make withdrawals from any Mudaraba Accounts in accordance with Clause 2.3 (d), (k) except the Investment Deposit Account the withdrawal of which is subject to specific conditions in accordance with these Terms and Conditions.
- (d) The Mudaraba Capital or credits of the Mudaraba Account shall not be guaranteed by the Bank unless in cases of Bank's negligence, infringement or otherwise violation of these Terms and Conditions.
- (e) The Mudaraba Account holders authorise the Bank to retain the profits of finances or investments determined to be retained by the Shari'a Supervisory Board due to violation of Shari'a principles in the execution of the finance or investment to be dispensed in charity as per its instructions.
- (f) The Mudaraba Account holders shall authorise the Bank to provide exemption from the profits, financing amount in the philanthropies, if necessary, or for commercial purposes including the prizes for premature payment as may determine in all cases by the Shari'a Supervisory Board.

2.3. Investment and Allocation of Profits

- (a) The Mudaraba Pool Capital shall be invested by the Bank in a joint investment pool the ("General Pool") on which the funds of Bank's shareholders in terms of equity rights, credits of Current Accounts and credits of other accounts deemed as Current Accounts and may include the funds authorised to be invested by the Bank on the basis of Investment Agency (as may be applicable in the Bank), a partnership relation ("Partnership") is established between such funds and the Mudaraba Pool Capital and constitute together a ("Partnership Capital").
- (b) In order to calculate and allocate the realised profits, the Bank shall make a balance sheet (with the other necessary financial statements) for the general pool for the period for which the profits are calculated and allocated on the basis of constructive liquidation (valuation) to ensure the soundness of the partnership capital and the realization of Profit to be allocated, if any. The profits realised by the general pool ("General Pool Profits") after deducting the fees and expenses (as may applicable in the Bank in relation to the allocation of fees and expenses among the general pool and shareholders shall be allocated as follows:
 - (i) the profits of the general pool shall be proportionately allocated amongst the depositors of the partnership capital as per the percentage share in the general pool owned by each depositor when the financial statement is made, or by the other manner applied by the Bank, if any, as shown in the Addendum
 - (ii) the Bank shall, as Mudarib, obtain its share of the profits of the Mudaraba pool capital (the "Mudaraba Profit"). The share shall be determined in accordance with the predetermined percentage of the Mudaraba Profit ("Mudarib's Profit Share")
 - (iii) after the deduction of the Mudarib's Profit Share from the Mudaraba Profit, the remaining sum of the Mudaraba Profit determined as per the predetermined percentage of the Mudaraba Profit ("Mudaraba Account holders' Share in the Profit") shall be for the Mudaraba Account holders as fund owners ("Mudaraba Account holders' Share in the Profit") and the Mudaraba Account holders' Share in the Profit shall be distributed amongst the Mudaraba Account holders as per the weightings applied by the Bank ("Weightings") and in accordance with Clause 2.3
 - (iv) the updated and prevailing Mudarib's Profit Share, Mudaraba Account holders' Share in the Profit and Weightings applicable to each Category will be displayed in the Bank's branches and website and may be obtained from the Bank or otherwise in accordance with the Bank's prevailing practices. The Bank reserves the right to vary the Mudarib's Profit Share and the Mudaraba Account holders' Share in the Profit and/or the Weightings from time to time at its sole discretion (after obtaining the approval of the Shari'a Supervisory Board) and shall announce the same in seen place in the Bank's branches and its website or by special notice to be served to the Mudaraba Accounts holders. Such variation shall be deemed to be effective upon the commencement of the Profit Calculation Period immediately succeeding such variation provided that such announcement or notice shall be made prior to at least sixty (60) days of such period. The Customer shall be deemed to have accepted such variation if the Bank does not receive any notice to the contrary within the 60 day period mentioned above.
- (c) The Customer acknowledges that nothing in these Terms and Conditions shall be construed in any case as being a warranty or a representation by the Bank of any guaranteed profits, or any guaranteed payment of any part or the entire portion, in respect of the Mudaraba Account balances. The Customer is aware that all balance in the Mudaraba Accounts (including the (investment Deposits) are exposed to potential losses arising out of a potential loss and that such losses may even affect the principal amount of the funds deposited by the Customers in the Mudaraba Account.
- (d) In respect of Savings Account, profits shall be calculated on the minimum balance for the relevant period of profits calculation of the Saving Account and shall in respect of an average balance Saving Account be calculated on the monthly

average balance of the Savings Account for the relevant Profit Calculation Period of the account. The calculation shall be made using either method as applied and declared in the Bank at the time of opening the account. The profit calculation period for the Savings Account shall be one (1) calendar month starting from the first day of the month succeeding post of the first amount at or after the opening of the account. Unless such deposit is made in the first day of the month on which the account is opened, the period shall then commence of that day.

- (e) In cases where the Bank determines to pay to all or some Mudaraba Account holders an amount higher than the profits due to them as per the achieved profits by way of donation of the Bank's Shareholders profits, such donation shall not obligate the Bank to make such donation in the future whatsoever the times of recurrence and shall in all cases remain optional for the Bank at its absolute discretion.
- (f) In cases where a Saving Account is closed prior to the applicable Profit Payment Date, the Customer agrees that it shall not be entitled to receive the profits accrued on the Mudaraba Capital for the relevant period in which the account is closed and agrees to receive an amount equivalent to the account balance on Takharuj basis for that month. However, the profits calculated for the month(s) preceding the month in which the account is closed and have not yet been paid to the Customer shall be paid upon the closure of the account except for the amounts due to the Customer of the Investment Risk Reserves and Profit Equalization Reserves (if any and only once available and created by the Bank) included in the said Takharuj.
- (g) The Mudaraba Account holders authorise the Bank, to retain, if required, a certain percentage of the Mudaraba Profit of the realised profits due to be allocated to in the Investment Risk Reserves but shall not exceed certain percentage of such share as the percentage applied and declared by the Bank, if any, upon approval by the Bank's Shari'a Supervisory Board on the same, for the purposes of Protecting against the future loss for which the Bank shall not be liable and maintaining the stability and sustainability of the regular allocation of the profits on the Mudaraba Accounts holders as per the market rates in the future under the following controls:

- (i) The balance of the Investment Risk Reserves shall always remain the right of the Mudaraba Account holders owning the Mudaraba accounts in the Bank at any time and the Bank shall not have the right to deduct for itself any amount of this balance, and at the liquidation of the Bank the said reserve balance shall be allocated to the Mudaraba Account holder existing at that time. If anything remained thereof, it shall be dispensed in charities;
- (ii) Upon the allocation of the Investment Risk Reserves or any part thereof to the Mudaraba accounts holders, such allocation shall be made according to the Weightings or on pro rate bases or in any other manner as may have been agreed between the Bank and the Customer at the Account opening date, any accounts or category shall not receive more than what it deserves in accordance to that;
- (iii) To facilitate the matter, it is allowable to establish a sub Investment Risk Reserve for each kind type or category of the Mudaraba accounts according to the aforesaid roles; and
- (iv) The Investment Risk Reserves balance shall be invested for such reserve on Mudaraba basis under the same Terms and Conditions of the Saving Account, if a sub reserve has been established for each type of the Mudaraba accounts, then the reserve balance shall be invested under the same Terms and Conditions of this account and in this case the Investment term for the Investment Deposit shall be one month.

- (h) The Mudaraba Account holders shall authorise the Bank, to retain, if required, part of the Profit of the Mudaraba pool (Mudaraba Profits) of the realised profits due to be allocated to the Mudaraba Account holders and the Bank in the Profit Equalization Reserves but shall not exceed certain percentage of such profits which shall be the percentage applied and

declared by the Bank, if any, upon approval by the Bank's Shari'a Supervisory Board on the same, for the purposes of maintaining the stability and sustainability of the regular allocation of the profits on the Mudaraba Accounts holders as per the market rates in the future under the following roles:

- (i) At all times, the balance of the Profit Equalization Reserves shall remain the right of the Mudaraba Account holders owning the Mudaraba Accounts and the Bank. The Bank shall not be the sole owner of such Profit Equalization Reserves, and In case of liquidation of the Bank, the said reserve account shall be allocated to the Mudaraba Account holders existing at that time. If anything remained thereof, it shall be dispensed in charities as should be determined by the Shari'a Supervisory Board.
- (ii) The Profit Equalization Reserves balance shall be invested for such reserve on Mudaraba basis under the same Terms and Conditions of the investment of the Partnership Capital in the general pool.
- (iii) Upon the allocation of the Profit Equalization Reserves or any part thereof to the Mudaraba Account holders, such allocation shall be made as per Mudaraba Profit allocation principles.
- (i) If the profits are calculated and not paid to the Customer in accordance with these Terms and Conditions, the Customer hereby authorises the Bank to invest such profits under the same Terms and Conditions of their respective account.
- (j) The Mudaraba Account holders shall authorise the Bank to pay the Zakat of the Investment Risk Reserves balance and their respective share in the Profit Equalization Reserves balance and dispense the same as may be determined by the Shari'a Supervisory Board.
- (k) The Bank may at its discretion restrict/limit the number of withdrawals or the maximum daily withdrawal amount through the branches permissible daily or during a calendar month from the Savings Account, and if the number of withdrawals exceeds the number of transactions specified by the Bank, then the Bank may collect a service charge specified in the Schedule of Fees for each additional withdrawal transaction exceeding such limit.

2.4. Special Terms of the Investment Deposit Accounts

- (a) The General Provisions shall apply to the investment Deposit Account and the following additional conditions shall also apply:
 - (i) In relation to an Investment Deposit Account, the Customer shall select a fixed Investment Period (or such other periods approved by the Bank), provided that the minimum fixed Investment Period shall be one (1) calendar month;
 - (ii) The profit on the Investment Deposit Account shall be calculated based on the realised profit and shall be paid to the Customer either:
 - (A) On the first Profit Payment Date falling immediately after the expiry of the Investment Period; or
 - (B) On Profit Payment Dates at such certain intervals as may be mutually agreed to between the Customer and the Bank (if such agreement exists); and
 - (iii) Unless otherwise instructed to the Bank by the Customer fifteen (15) banking days before the expiry of Investment Period, the deposit shall be renewed automatically on the same terms and conditions. The Customer may opt to, when opening the investment deposit account, add the achieved and allocated profit to the deposit at the renewal to be invested with it and may opt not to add the same.
- (b) The profit calculation period for the investment deposit shall be determined as may be requested by the Customer when opening the Investment Deposit Account and approved by the Bank and shall in any case commence from the banking day following the deposit of the investment deposit funds.
- (c) The minimum limit for accepting the opening of investment Deposit Account in AED or other currencies shall be determined by the Bank from time to time. Except for the investment term of deposits in AED, the Bank is not bound to repay deposits upon liquidation or closure of their accounts in the same currency deposited, but undertakes payment by issuing a

demand draft or transfer of the same currency deposited at the exchange rate prevailing as on the day of repayment of the said deposit.

- (d) The Bank is not bound to accept the closure, of the Investment Deposit Account liquidation and withdrawal of the deposit request from the Customer before the expiry of the Investment Period. In special cases the Bank may allow withdrawal of the deposit prior to the expiry of the investment period in consideration of Takharuj amount to then be agreed upon as may be accepted by the Bank. If the deposit profit was calculated for the month(s) preceding the month in which Takharuj is made and has not yet paid to the Customer, the same shall be paid to the Customer at the time of Takharuj except for such amounts due to the Customer in the Investment Risk Reserves or in the Profit Equalization Reserves (if any) as the same shall be included in the Takharuj. The Customer shall, in the requests of liquidation and withdrawal of equal value of AED One (1) million or more, notify the Bank of such requests five (5) working days prior notice of the date of liquidation.
- (e) Conditional upon compliance with the aforementioned, the liquidation and withdrawal of the deposit shall only be made in whole and is not acceptable to be partial and is made on the Takharuj basis and the amount paid to the Customer shall be the consideration of Takharuj as agreed upon between the Customer and the Bank.

2.5. Special Types of Mudaraba Accounts

The Bank may add special types of Mudaraba Accounts provided that the terms and conditions of the same shall be specified in the Addendum.

D. Insufficient Funds and Overdrafts

1. If at any time the Customer does not have sufficient funds in the Account or fails to provide covering funds for cheques presented to the Bank or amounts required to complete any investment or foreign exchange transaction, or to meet any debt owing to the Bank, including any costs or fees, or to complete any other transaction, the Bank may in its sole discretion:-
 - (a) Return the cheque or other instrument unpaid and charge a return cheque fee to the Customer's Account;
 - (b) Refuse to complete the transaction;
 - (c) Complete the transaction and recover any associated fees and charges by debiting any Account the Customer maintains with the Bank;
2. The Customer agrees that the Bank may continue to exercise its discretion as set out in clause 1 (a) above, if the Customer still has insufficient funds in the Account when any subsequent cheques, payment instructions or settlement charges are given to the Bank. The Customer accepts full responsibility for any consequences of not keeping adequate funds in the Account, including the Customer's obligations to pay not being honored, and the Customer's creditor(s) charging penalty charges or fees for late payment and taking legal action against the Customer.
3. The Customer is not entitled to overdraw the Account.
4. The Bank may require the Customer to maintain a minimum balance in the Account and specify a minimum amount in relation to any other service provided by or through the Bank. If the required minimum amount is not maintained, the Bank may transfer monies from any other Account of the Customer and/or realize any investment held in any Account of the Customer and/or convert currency from any Account of the Customer in order to restore the minimum balance and/or require the Customer to pay the Bank a periodic administration fee, which the Bank considers appropriate.
5. The Bank may refuse to accept any cheques for collection drawn in favor of third parties, which is contrary to the Bank's policies, provisions of UAE law and/or any Central Bank of UAE regulations.
6. The Customer authorises the Bank to utilize payment received into any Account of the Customer with the Bank, and/or to transfer funds (including any payment received into an Account of the Customer with the Bank) from any other Account of the Customer to the Account through which the Advance is

made available, and/or to realize any investment held in any Account of the Customer, and/or to convert one currency into another, at any time, and to apply such funds (including any salary payment) and/or the proceeds of the realization of any investment and/or of the conversion of any currency, in repayment first of any charges and costs accrued or payable in respect of any service or in such order as the Bank considers fit.

E. ChequeBooks

The Bank may, in its absolute discretion, issue the Customer with a chequebook. If a chequebook is issued, the Customer undertakes to be responsible for its safe custody at all times and will immediately notify the Bank if the chequebook, or any of the cheques contained therein, are lost or stolen. The Customer understands that the Bank may, in its absolute discretion, accept from the Customer any stop cheque instructions (in writing) in cases where the Customer has lost the relevant cheque and obtained a police report, the payee has become insolvent and a court receiver had been duly appointed or in other circumstances allowed by law and agreed by the Bank. Should the Bank accept any such instructions from the Customer or from some other person purporting to be or to represent the Customer, the Customer hereby undertakes to indemnify the Bank against any losses, damages, penalties, costs (including any legal costs) or demands incurred by it as a result of, or in connection therewith. In addition to other remedies available to the Bank under these Terms and Conditions, the Bank shall be entitled to close the Account if the Customer issues 4 cheques with insufficient funds in the Account, with a maximum time span of one year between the issuance of the first and the fourth cheque. The Customer agrees to indemnify the Bank and keep the Bank indemnified against any loss, claim, costs, expense or litigation, which may arise directly or indirectly from the Bank doing so. The Customer understands that the Bank will report such Accounts and related details to UAE Central Bank and other relevant authorities.

F. Foreign Currency Accounts

The Customer understands that there is risk associated with any Account denominated in a foreign currency, which for the purposes of these Terms and Conditions means any currency other than UAE Dirhams. Accordingly, the Customer accepts that the Customer is solely responsible for all such risks and any costs, charges and expenses, howsoever arising (including, without limitation, those arising from any international or domestic legal or regulatory restrictions, as a result of exchange rate fluctuations or as a result of converting one currency into another) in respect of any Account denominated in a foreign currency. Conversion from one currency to another will be at the rate of exchange as determined by the Bank, in its sole discretion, from time to time. The Bank in its sole discretion may permit, but is not obliged to permit, cash deposits in a foreign currency to and cash withdrawals in a foreign currency from an Account denominated in a foreign currency, subject to such charges as the Bank determines from time to time or in respect of a particular transaction. The Bank will accept UAE Dirhams for credit to an Account denominated in a foreign currency subject to first converting such UAE Dirhams into the relevant currency and will permit withdrawals of cash in UAE Dirhams from an Account denominated in a foreign currency subject to sufficient funds being available in the relevant Account and subject to first converting the funds denominated in the foreign currency into UAE Dirhams.

G. Statement of Account

Statements of Account of Customers shall be provided at agreed intervals. Unless instructed by the Customer in writing to hold all correspondence, the Bank will dispatch Statements and advices to the Customer's postal address as recorded in the Bank's records and the same will be deemed to have been received by Customer. The Customer should carefully check the transactions (including Debit Card transactions) in the Statement and any error or discrepancy must be notified in writing to the Bank within (15) fifteen days from the date on which the Statement is sent to the Customer's address as entered in the Bank's records. If the Customer gives no such notice, the Statement will be deemed to be correct and the Customer may not thereafter raise any objection to such Statement. If the Customer does not receive a Statement of Account for any period, it is the responsibility of the Customer to demand a Statement from the bank within (15) fifteen days from the date on which the Statement would normally have been sent.

H. Closure of Account

- (a) The Customer may close an Account by giving at least (15) fifteen days prior notice in writing to the Bank. The Bank may agree to close the Account at the request of the Customer subject to adherence of the following:
 - (i) Request for closure made on the standard format provided by the Bank;
 - (ii) Confirmation in writing pertaining to the list of cheques issued but yet to be presented to the Bank;
 - (iii) Return to the Bank of all unused cheque leaves, Debit Cards, Credit Cards and any other property of the Bank, for cancellation;
 - (iv) Settlement/payment all the direct/indirect liabilities towards the Bank.
- (b) The Customer will remain liable for any cheque issued but not yet presented to the Bank in case of closure of the Account and shall make appropriate actions to replace the issued cheques. The Bank takes no responsibility for returning the cheques unpaid due to closure of the Account.
- (c) The Bank may, however, immediately at the instance of any court or administrative order or otherwise, close, freeze or suspend dealings on any account without notice to the Customer or without being liable for any breach of any duty it may owe to the Customer. The Bank may at its own instance without giving any reason, close an Account by giving a notice in writing to the Customer. The Bank will close the Account only after deduction of all the monies due to the Bank at the time of closing of such Account.

I. Minors

In respect of an Account opened on behalf of a minor, the Bank is entitled to act on instructions received from the guardian named in the Account Opening Application (the "Guardian"), even if the minor Account holder ceases to be a minor, until the Bank receives written notice from an appropriate authority and/or the Guardian in accordance with the mandate relating to the Account, requiring the Bank to act on the instructions of a person other than or in addition to the Guardian named in the Account Opening Application. Where an Account is opened on behalf of a minor, the Guardian named in the Account Opening Application will provide the Bank with such authorities, information and documentation (including without limitation, guarantees and evidence of parental consent for the Account being opened) relating to the opening, maintaining and operating of the Account as the Bank may require. The Guardian agrees to indemnify the Bank against any loss that the Bank may incur by reason of any claim by or on behalf of the minor and will be personally liable to pay such claim immediately upon demand.

J. Standing Instructions

The Bank will execute any standing instructions on behalf of the Customer when it receives duly signed written instruction(s) given by the Customer to the Bank without further instruction from or prior notification to the Customer to take specified action on a specified date relating to transfer, payment of monies in the Account or any other action as pre-set by the Customer. The Customer's standing instructions will be acted upon only if there are sufficient clear funds available in the Account on particular specified dates. The Customer agrees to indemnify the Bank against any losses, claims, damages and expenses arising as a consequence of the execution or non-execution of any standing instructions given by the Customer and to absolve the Bank of any responsibility towards the same. The Bank will not be responsible for any delay, loss in transit, errors of transmission or errors of any correspondent banks or any circumstances beyond the control of the Bank. The Bank at its own discretion may impose charges for recording, amending and executing the standing instructions.

K. Disclosure of Information

The Customer irrevocably authorises and permits the Bank to disclose and furnish such information that it deems fit concerning the Customer or the Account and/or its affairs including but not limited to the provisions of these Terms & Conditions to the Bank's associates, branches, assignees, agents or any other third parties by the Bank. The Customer also authorises the Bank to respond, if the Bank so chooses, to any and all enquiries received from any other bankers, credit agencies or UAE Authorities concerning the Account without reference to the Customer. For the avoidance of doubt, any such response may include a bank reference.

L. Dormant Accounts

- a. The Bank at its own discretion, will classify any Account as dormant on which the Customer initiated transactions are not made for a period of (3) Three years as stipulated by regulations/ circulars by the Central Bank of the UAE and/or as determined by the Bank from time to time and take appropriate action as deemed necessary to safeguard the funds lying in such Accounts. Once the Account has been classified as dormant, the Customer is required to contact the Bank to re-activate the Account. In the event where the Dormant Account was not activated, and remained dormant for a period of 3 months, then the Bank shall have the right and upto its full discretion to close the Account by giving a 60 day notice to the customer. Upon closing the Account the Bank shall remit the available funds to a dormant designated account at the Central Bank of UAE.
- b. The Customer agrees and understands that Central Bank of the UAE is not responsible once the Bank has taken appropriate actions for the lying funds as per the provisions made under the relevant regulation/ Circulars".

M. Illiterate Customer Accounts

An illiterate Customer shall be required to provide copies of a recent photograph to be attached to the Account Opening Application to facilitate identification. Cheque Book will not be issued to an illiterate Customer. Withdrawals will be allowed only on personal application and identification of the Customer at the Bank. The Bank would allow withdrawals from the Account only on personal appearance and identification of the Customer at the Bank. Third party withdrawals will not be honored even if the available balance covers the amount intended to be withdrawn.

N. Cash Withdrawal/Deposit Limits

The Account may be used for cash transactions i.e. deposit or withdrawal. The Bank may at its sole discretion set a cash withdrawal/ deposit limit from time to time. The Bank is entitled to levy charges on any cash deposit and/or withdrawal by the Customer, which is above the limits as set by the Bank from time to time without liability towards the Customer.

O. Account to Account Transfer Facility

1. Only Customers who maintain an operating Account in UAE Dirhams (or such other currency as the Bank may from time to time agree) with the Bank are entitled to use Bank's ATM for Account to Account Transfer facility.
2. Account to Account Transfer Facility offered by the Bank allows the Customer to transfer funds from Customer's one Account to another Account held with the Bank. Funds transfers can only be completed between Accounts that are owned by the Customer.
3. The Bank is not responsible for any costs or losses incurred from funds transfers that are not permitted under these terms and conditions or those restrictions imposed by applicable law.
4. The Customer may not make funds transfers in excess of limits described on the facility. The Bank reserves the right to change from time to time the amount of limit on the Account to Account Transfer the Customers are permitted to make using this Facility. The Bank reserves the right to limit the frequency and the amounts for Funds Transfer facilities from the Account.
5. The Bank reserves the right to decline to effect any funds transfer or to carry out change or cancellation requests. The Bank may reject a transfer instruction, in case of insufficient Available Funds in the Customer's Account, or in the usable balance in the Customer's Account or for any other reason.
6. By using Account to Account transfers, the Customer confirms that, if any of the Accounts is a joint account, the joint account holder has consented for the Customer to use the Account for the facility. The Bank may end/block use of the facility by the Customer, if any joint account holder notifies the Bank that (i) they never consented to the use of Funds Transfers Facility (ii) the joint account can no longer be operated on Customer's instructions alone, or (iii) they are withdrawing consent for the Customer to operate the joint account.
7. Any payment will be debited to the Customer's Account on the same working day and will immediately be credited to the beneficiary's account on the same working day.

P. Banking Instructions by Facsimile/Telephone

1. The Bank is authorised, but not obliged, to act on the Customer's banking instructions transmitted by a facsimile machine or through Telephone.

2. The Customer undertakes that no unauthorised person shall have access to the fax machine or the Telephone Identification Code and the Customer shall safeguard and prevent access to the fax machine and/or the Telephone Identification Code and be responsible for any misuse therein.
3. The Customer understands and is fully aware of the various risks inherent and associated with communicating instructions to the bank by facsimile/ Telephone transmission and the various fraudulent activities arising from and out of such transmissions and the Customer hereby undertakes to accept such risks and hereby will indemnify and hold the Bank harmless from and against all actions, suits, proceedings costs (including legal costs), claims, demands, charges, expenses, losses and liabilities howsoever arising in consequence of, or in any way related to:
 - (a) the Bank having acted in good faith in accordance with the Customer's facsimile/Telephone instructions, notwithstanding that such instructions may have been initiated or transmitted in error or fraudulently altered, misunderstood or distorted in the lines of communication or transmission; and
 - (b) the Bank having refrained from acting in accordance with the Customer's facsimile/Telephone instructions for any reason whatsoever including without limitation, by reason of failure of actual transmission thereof to the Bank or receipt by the Bank for whatsoever reason, whether connected with fault, failure or un-readiness of the sending or receiving machines.

Q. Joint Accounts

1. Each Customer hereby authorises and empowers each of his/her joint Account Holder(s) in respect of an Account to endorse for deposit and to deposit with the Bank any and all cheques, notes or other instruments for payment of money, payable to any one or more joint Account Holder. If the Bank receives any such instruments without having been so endorsed then the Bank is hereby authorised to endorse any such instrument on behalf of each joint Account Holder and to credit the same to the Account.
2. If the Bank receives conflicting instructions from different signatories of a joint Account and/or any dispute between the Customers, the Bank may require a fresh mandate from all the signatories or Customers in respect of that Account before giving effect to any further instructions. The Customer will not hold the Bank responsible for any consequences arising out of the Bank requiring fresh instructions before acting on the instructions of one or more signatories of an Account pursuant to this clause and will indemnify and hold the Bank harmless for any and all loss, damage and expense occasioned thereby save to the extent caused by the Bank's gross negligence or willful default.
3. In the event of the death or legal disability of any of the individuals in respect of a joint Account, the other individual(s) will immediately, (but in any event not later than ten (10) days after such death or legal disability), notify the bank of such death or legal disability. In the absence of such written notice the survivor(s) will be liable to any claim by the Bank arising from continuation of the Account and the Bank will not be liable for allowing operations in the Account. On receipt of the notice, the Account will be frozen until the legal successor(s) to the deceased or the relevant Court or department or authority appoints a legally enabled individual.
4. All obligations incurred on the Account or otherwise will be the joint and several liability of each and every Joint Account Holder.

R. Telex/Swift and Remittance Transfers

1. The Customer understands and agrees that the Telex/Swift messages are sent entirely at the Customer's risk and the Bank shall not be held liable for any mistake or omission arising from the transmission of the messages.
2. The Customer undertakes to pay all charges and fees charged towards such remittances and the Bank has the right to deduct from the Customer's Account to recover such charges.
3. The Customer hold harmless and indemnify the Bank against any loss or damage incurred as a result of the Bank acting upon or delaying to act upon or refraining from acting upon the said instructions.
4. The Customer understands that payment of transferred funds is subject to the rules and regulations of the country where the payment is to be made. The Banks or its correspondents

or agents shall not be liable for any loss or delay caused on account of any act or order or a Government/ Government agency or force majeure.

S. Terms and Conditions Relating To Debit Card

1. The card shall at all times, remain the property of the Bank and the Customer shall surrender the cards to the Bank immediately upon request.
2. The Cards(s) and related PIN are issued to the Customer at the Customer's risk and responsibility and the Bank shall bear no liability whatsoever for any loss/ damage arising from the issuance of the card(s) and related PIN howsoever caused.
3. The Customer shall not disclose the PIN to any other person.
4. The card is issued for use only on electronic machines capable of accepting VISA ELECTRON / NSWITCH / UAE SWITCH cards in addition to all the ATM machines of the Bank. The Bank may at a later stage, notify any changes to the range of machines where these cards may be accepted.
5. The Customer shall at all times, remain liable for any transactions made by the use of the Card and shall indemnify the Bank for all loss/ damage howsoever caused by any transactions made by the use of the card and shall indemnify the bank for all loss/ damage howsoever caused by any unauthorised use of the cards or related PIN.
6. Without prejudice to the provisions of clause 3 of the terms and conditions, the Customer shall exercise every possible care to prevent the Card(s) and details of the related PIN being lost or stolen and shall notify the Bank immediately and confirm in writing any loss or theft.
7. The Bank's record of transactions processed by the use of the Card shall be conclusive and binding for all purposes.
8. The Bank shall debit the Customer's Account with the amount of any withdrawal/ transfer and payment for goods and services at Point-of-Sales (POS) terminals along with the related charges.
9. The Bank shall debit the Customer's Account with all expenses / charges arising from the issue of the Card(s) or its usage as may be determined by the Bank from time to time and for the charges relating to any replacement of the Card.
10. The amount of any Card transaction in a currency other than UAE Dirham will be converted into UAE Dirham at a rate of exchange as determined by the Bank. A handling charge may be levied by the Bank for all transactions, including enquiries processed through machines which are not operated by the Bank.
11. The Customer shall not be entitled to overdraw his/their Account(s) with the Bank or to withdraw funds / make payments for goods and services by use of the Card(s) in excess of any overdraft limit agreed with the Bank.
12. The Bank may set, from time to time a limit on the daily withdrawal of the cash by usage of the card. The Customer acknowledges that requests for transactions in excess of such limits set by the Bank may be declined by the Bank.
13. The Bank shall not be responsible for any loss or damage arising directly or indirectly as a result of any malfunction/ failure of the card(s) or the machines capable of accepting the card, the temporary insufficiency of funds in such machines or otherwise howsoever.
14. The Customer and/or the Joint Account Holder shall be jointly and severally responsible for all transactions processed by the use of the Card(s) issued to them, notwithstanding any stipulation, which the Customer and/or the Joint Account Holder may have made in the joint account mandate requiring all parties to the account to sign.
15. The Bank shall not be responsible for any claims arising as a result of any purchase of goods or services by means of the Card.
16. The Bank may at any time vary these terms and conditions by giving a 60 day notice to the Customer.
17. The Bank shall be entitled to the immediate return of the Card in the event of :
 - (a) Closure of Customer account
 - (b) Death or incapability of the Customer

Fourth: Terms and Conditions Relating To NBF Direct (Mobile Banking Service)

Mandate: The Customer hereby authorises and requests National Bank of Fujairah PJSC, United Arab Emirates ("the Bank") for providing NBF Direct – Mobile Banking Service, upon terms and conditions for Subscription and Use set out below. The Bank may at any time vary these terms and

conditions by posting the same in the Bank's Internet website and the Customer hereby accepts and agrees with such variations and waives any right of contestation in respect thereof and fully agrees to be bound by the same.

Terms and Conditions: In this Agreement the following terms and expression shall have the meaning assigned to them respectively:

"Bank" means National Bank of Fujairah PJSC

"Subscriber" means the Customer to whom the Service has been provided.

"Equipment" means Mobile Phone(s) (GSM) or any equipment or device(s) approved by the Bank to provide the Subscriber's with this Service,

"Service" means NBF Direct Mobile Banking which is a product owned by the Bank that provides the Subscriber to view his/her account/ credit card related information as well as other information.

The Subscriber acknowledges, confirms and understands the following:

Eligibility:

1. It is a condition precedent for the use of Mobile Banking service that the Customer maintains an account with the Bank in the United Arab Emirates. In the event where the account relationship is terminated for any reason or in the event of any breach of the terms and conditions herein contained or surrendering of mobile phone connection or disconnection of mobile phone, the Bank shall be entitled forthwith to cancel the Service. Subscriber may be reinstated at the Bank's sole discretion and the Bank reserves the right to impose a reasonable reinstatement charge.
2. 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.
3. Where the Customer, before accessing any new facilities, is required to confirm his concurrence for the associated terms and conditions, customer understands that such concurrence communicated via any media including but not limited to digital, or electronic media will be sufficient and will be binding on the Subscriber for all intents and purposes.
4. Notwithstanding the above, the Subscriber undertakes to execute any additional documents that may be required by the Bank prior to provision of any modified or additional facilities under the Service to the Subscriber. To subscribe additional mobile phone(s) to an existing Account may require additional documentation. Where a subscriber fails to comply with the above requirement, he shall not be eligible for such enhanced or modified service and the Bank will be entitled to withdraw the service provided earlier also.
5. The Subscriber agrees that the Bank has the right to withdraw any or all of the features under the Service, without assigning any reason, after serving a notice to the Subscriber by ordinary post or via message to the Subscriber's equipment.

Mode of Operation:

1. Where the Service is made available linked to a Joint Account Holder(s), it is acknowledged that, irrespective of whether the mode of operation of such account(s) is joint or single, the Service will be provided to one / all Subscriber(s). The Bank also reserves the right to hold both/ all joint users liable for any damages arising therein.
2. The Bank will transmit the Mobile Banking data on time to the Service Provider but the delivery of the data to the Subscriber's equipment depends on the Service Provider locally and abroad which the Bank is not responsible for.
3. The Bank will transmit the data on time to the Service Provider upon the receipt of any pull requests, but the delivery of the pull request to the Bank's systems and the subsequent delivery of the data to the Subscriber's equipment depends on the Service Provider locally and abroad which the Bank is not responsible for.
4. Bank at its sole discretion shall have the absolute right to add new mobile operator to provide the customer with the Service, the Bank may notify the customer with the new operator as deemed appropriate.

5. The Subscriber can unsubscribe from NBF Direct Banking services by visiting any of the bank's branches and completing the required formalities. Each phone banking request will be levied with the standard telecom operator charges applicable.
6. The NBF Direct service will expire every two years from the registration date. Advance notification will be provided to customers who will require completing the application form and renewing their subscription to ensure no disruption in the NBF Direct mobile banking service.

Liability:

1. 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.
2. The Bank will not be responsible for any loss or damage arising directly or indirectly from any malfunction or failure of the service.
3. The Subscriber acknowledges that the Bank is not liable to the Subscriber for failure to provide any or all of the facilities available under NBF Direct service attributable, either wholly or partly, to reasons beyond the Bank's control, including without limitations any technical malfunction/breakdown.
4. In case of loss/theft of the subscriber's equipment, the subscriber undertakes to notify the Bank in writing immediately of such instance to protect the interest of all parties. The Subscriber shall indemnify the Bank for all loss or damage on account of subscriber's failure to notify the Bank of the loss of instrument.
5. In case of change/disconnection of subscriber's mobile phone number(s) or equipment, the subscriber undertakes to notify the bank in writing immediately of such instance to protect the interest of all parties. The Subscriber shall indemnify the Bank for all loss or damage on account of subscriber's failure to notify the bank of the change/disconnection of Subscriber's mobile phone number(s).
6. In case of Subscriber's equipment lying unattended, the Subscriber undertakes to lock it prior to leaving it unattended. In the event of not locking it, the Bank is not liable for any breach of confidentiality of any data / information sent to the subscriber's equipment. The Subscriber acknowledges that he/she is solely responsible for protecting his/her mobile phone/device.
7. The Subscriber acknowledges that the Bank does not guarantee and is not liable for the security or confidentiality of any data transmitted to the Subscriber or across the network.
8. The Bank will send the latest available data to Subscriber's equipment as a pull request. The Subscriber acknowledges that this may not necessarily be the actual latest transaction data due to the possibility of all the Bank's systems not being updated instantly. The Bank will not be liable to any loss or damage arising out of this.
9. The Subscriber acknowledges that he/she is liable for any losses or damage resulting in the following:
 - (a) Subscribers themselves or other people with Subscribers' permission who acted fraudulently.
 - (b) Attempt or obtain access to or destroy critical information (i.e., of other Subscribers)
 - (c) Cause damage to the service or use the service to cause damage to others say, introduction of virus.
 - (d) Any virus or other harmful components that may occur while using the service
 - (e) Subscriber's negligence
 - (f) Errors or omissions in the information transmitted
 - (g) Delay or failure in transmission
 - (h) Subscribers breached of any of the Terms and Conditions

Charges and fees:

1. The Bank shall debit the subscribers account with fees & charges for any instructions through the Service. Such charges shall be as per the Bank's Schedule of Charges for the various Services. The Bank also reserves the right to make any changes to the fees and charges for the Service or to the Service Terms and Conditions at any time.
2. The Subscriber authorises the Bank to debit the Subscriber's account with applicable fees and charges for the service of the previous month on the first working day of the subsequent month as determined by the bank at its own discretion.

3. In case the Subscriber does not pay the applicable fees and charges for two consecutive months, the Bank will be entitled to cancel the service without referring to the subscriber.

Confidentiality:

1. The Subscriber acknowledges that the NBF Direct Banking Service is the property of the Bank which has the copyright interest in all software and documentation of the service and subsequent amendments including user guidelines in any form.
2. The Subscriber agrees to treat the access rights, documentation or any other information related to the service, strictly private and confidential at all times and shall not copy/ reproduce the above in any form either in whole or in part or allow access to any other party without the Bank's prior consent in writing.

Fifth: Terms and conditions – NBF SMS –Services:

1. The Bank shall act at its absolute discretion in providing the service whereby the Bank may accept, refuse any application to provide the service or cancel or withdraw any services or privileges there under and may further add any new services.
2. The service shall be provided only in the event of the customer maintaining an account with the Bank and for as long as the account relationship has not been terminated irrespective of the reason.
3. The service shall be provided specifically to the subscribing customer irrespective of whether or not the account is single for joint.
4. In the event that the frequency fails on a day which is a holiday in the UAE, the service will be provided on the following working day.
5. Concurrence and approval communicated through media means including but not limited to digital and electronic media, in respect of any service hereunder, shall be deemed valid and therefore binding on customer for all intents and purposes. However, the Bank reserves its right to request customer to execute any additional documents specifically where the service relates to granting facilities and modification, renewal or increase of the same.
6. Customer agrees to immediately inform the Bank of any change in its e-mail address or mobile number. Customer also agrees to inform the Bank in the event of the loss of its equipment / mobile or the disconnection of its line.
7. In case of loss/ theft of the Customer's equipment, the customer undertakes to notify the Bank immediately of such instance to protect the interest of all parties. The customer shall indemnify the Bank for all loss or damage on account of customer's failure to notify the Bank of the change/disconnection of the customer's mobile number.
8. Customer hereby authorises the Bank to debit the customer account with **₪** 0.50 per message subject to a minimum charge of **₪** 3 per month. The Bank reserves the right at any time to amend the charges by prior notification and the charges shall have effect from the date of such notification.
9. Customer authorises the Bank to debit customer's account on a monthly basis of for the Bank's applied charges from time to time in respect of the services on the first working day in a month in payment of the service provided for the previous month.
10. The customer authorises the Bank to debit the customer account with **₪** 50/- every time a requires is made in writing for details of the messages that were sent to the customer's mobile phone at any given period, subject to that each period should not exceed two calendar months.
11. Customer irrevocably and unconditionally releases the Bank from the liabilities whatsoever arising directly or indirectly as a result of or in connection with the Bank accepting customer's instructions and /or with providing the service hereunder.
12. Customer acknowledges that the service is the property of the Bank, being the sole owner of the copyright interest in all software and documentation relating to the service and any amendments thereto including but not limited to user guidelines in any form.
13. Customer undertakes to maintain strict confidentiality in respect of the access rights, documentation and other information relating to the service and further undertakes not to copy or in any way reproduce the same or to allow any third party access to the same without prior written approval of the Bank.

14. Any breach and /or contestation by customer of any of its obligations and/or any of the conditions and acknowledgements hereunder shall give the Bank the right to cancel, withdraw or terminate the provision of the service hereunder, without any liability whatsoever.
15. The Bank shall at its discretion amend from time to time the terms and conditions herein contained. The Bank shall also have the right at any time without stating the reason, to withdraw any facility under the service upon giving written notification to customer or sending customer a message to this respect.
16. The customer acknowledge that the services are provided by utilizing the technology of an independent third party and the Bank shall not be in any way be liable, whether directly or indirectly as a result of delays, interruptions, errors in transmission, un received messages or for any other malfunction or failure in the service.

Sixth: Terms and Conditions governing NBF Direct Online Banking Service:

The Customer (hereinafter referred to as "Subscriber") enjoys a relationship with the Bank and has applied for the provision of the Online Banking Service ("Service") through the designed application form ("Application Form") and the Bank has agreed to grant the Subscriber access to the Service.

Therefore, both Parties have agreed as follows:

1. Definition

Accounts: means the account or accounts of the Subscriber with the Bank which shall be accessed through the Service.

Functionalities: means all Financial and Non-Financial Transactions available on the Service and whereas the Subscriber has submitted an Application Form to avail the following:

(a) **Financial Transaction:** means all transaction that involves any exchange of funds and/or monies within the Subscriber's Account(s) or third parties' account(s).

(b) **Non-Financial Transactions:** means all transaction that does not involve any exchange of funds and/or monies within the Subscriber's Account(s) or third parties' account(s).

NBF Direct: is the brand name of the Online Banking channel launched by National Bank of Fujairah PJSC.

Password; means the secret alphanumeric code set and maintained by each User which together with the User ID and any other methodology that the Bank may choose to adopt for better security, in its sole discretion, allows a User to access the Service.

Service: means all or any of the functionalities on the Online Banking delivery channel provided by National Bank of Fujairah over its website under the brand name NBF Direct and is in addition to and in conjunction with any other normal banking delivery channel such as Branch banking, IVR, ATM, etc....
User: means authorised individual to access the Service

User ID: means the unique alphanumeric code provided by the Bank. It allows an authorised User to access the Service for the specific functions permitted to the User, when used in conjunction with the password and any other methodology that the Bank may choose to adopt for better security, in its sole discretion.

2. Use of Service

- 2.1. Use of the Service is permitted only upon the Bank allowing access to the Subscriber. The bank reserves the right to require further documentation prior allowing such access.
- 2.2. Upon access to the Service the User shall have full access to all Functionalities comprised therein as applied for and, for the purpose of internal records may (a) download and store data on hard disk and (b) print hard copies of certain pages.
- 2.3. The Subscriber may freeze/cancel access rights at any time by sending a prior written notification to the Bank confirming the cancellation to access the Service. The Subscriber will continue to be liable for any Transactions submitted until the Bank confirms in writing that the internal records of the Bank had been amended and that the access has been cancelled.

3. Instructions and Transactions

- 3.1. The Subscriber irrevocably authorises the Bank and shall be fully responsible to accept and act upon instructions for Financial and Non-Financial Transactions given to the Bank.

- 3.2. The Subscriber shall be liable for all monies due arising from instructions given to the Bank and liabilities incurred in accordance with the Bank's Schedule of Charges.
- 3.3. The Subscriber accepts that the payment request submitted to the Bank cannot be treated as evidence of the Bank having paid or agreed to pay the sum so requested.
- 3.4. The Subscriber accepts that the cut-off time for a Business Day is the same as the Bank's normal business timings in the UAE from Saturday to Thursday. All requests received after the cut-off time or on a Bank holiday will be deemed to have been received on the following Business Day.
- 3.5. The Subscriber agrees that the Bank shall in no circumstances be liable for any loss or damage arising from payment requests submitted to the Bank where the time of receipt of such requests by the Bank does not fall during the normal business timings of the Bank.
- 3.6. The Subscriber accepts that any transaction will be completed as and when the process is successfully concluded, provided all other requirements are met.
- 3.7. The Bank will not act on any instructions via public email nor will the Bank or the Subscriber transmit to the other any information of a sensitive nature via public email. In the event that public email system is used by the User(s), the Bank shall in no circumstances be liable for any loss or damage arising from such use.
- 3.8. The Bank shall not be responsible for any payments to any third party arising out of erroneous input of the User(s).
- 3.9. The Subscriber hereby acknowledges all debits arising from the use of the Service and considers that the Bank's books, entries and registers shall be final and conclusive evidence of the correctness of any transaction.

4. Security

- 4.1. The Bank undertakes to use reasonable care to ensure that in no way or manner shall the Password become known to any of the Bank's employees or agents. It is the responsibility of the Subscriber to set the password at inception and to change it as and when required in order to secure confidentiality and security of the Password.
- 4.2. The Subscriber undertakes not to disclose the Password, and any other methodology that the Bank may choose to adopt, to any person and the Subscriber is entirely responsible for ensuring that the Password and/ or any other methodology that the Bank may choose to adopt are kept secret and not used by anyone else for any fraudulent purpose. In the event of the Password and/or any other methodology that the Bank may choose to adopt becoming known to someone, that person may be treated by the Bank as an authorised User(s) and the Bank shall not be responsible for any loss or damage which may occur as a result of the Password and/or any other methodology that the Bank may choose to adopt becoming known to others. If the Subscriber knows or suspects that someone else has learned its Password or any other methodology that the Bank may choose, the Subscriber shall freeze/cancel the User and inform the Bank immediately.
- 4.3. The Subscriber agrees and undertakes to treat the access rights, documentation or any other information related to the Service, strictly private and confidential at all times.
- 4.4. All technology based devices and methods of electronic authentication for the security and integrity of electronic data and electronic communications transmission and identification of the Subscriber may be subject to change, at the sole discretion of the Bank. The Bank is not obliged to give prior notification to the Subscriber for any technological change.

5. Limitation of Liability

- 5.1. With the exception of gross negligence and/or willful misconduct committed by the Bank, the Bank shall not be responsible for any damage or loss incurred by the Subscriber resulting from the use of Service.
- 5.2. The Bank shall not be responsible or have any liability to the Subscriber or anyone else for indirect or consequential losses or damages.

6. Termination

- 6.1. The Bank reserves the right, in its sole discretion, to terminate the Agreement and the Subscriber's use of the Service by giving 60 days prior written notice to the Subscriber.

- 6.2. The Subscriber may terminate this Agreement and the use of the Service by giving ten Business Days prior written notice to the Bank, whereas the Subscriber shall be responsible for the immediate disconnection of the Service.

7. Events of Default

The Bank may terminate the access to the Service with immediate effect if:

- 7.1. The Subscriber ceases to maintain an Account with the Bank in the United Arab Emirates;
- 7.2. The Subscriber's relationship with the Bank or any other banking activity has terminated;
- 7.3. Upon making of an administration order in relation to the Subscriber or the appointment of a receiver over, or an encumbrances taking possession of or selling an asset of the Subscriber;
- 7.4. Upon the Subscriber making an arrangement or composition with its creditors generally or making an application to a court of competent jurisdiction for protection from its creditors; or
- 7.5. The subscriber notifies the Bank of changes in the status of the Subscriber which are unacceptable to the Bank.