

Terms & Conditions NEO BIZ - Islamic Account Opening

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Introduction

The following terms and conditions (“Terms and Conditions”) apply to and regulate the operation of Account(s) (as defined below) offered by Mashreq Bank Pakistan Limited (“Bank and/or Mashreq”) and govern the general relationship (including, without limitation, all transactions relating to the operation and maintenance of the Account) between the Customer (as defined below) and the Bank.

These Terms and Conditions are in addition to any other terms and conditions including those stipulated by the Bank from time to time on its website and/or mobile application (as defined below) and terms and conditions pertaining to other products, services or offers provided by the Bank (including but not limited to terms and conditions relating to Mashreq Mobile, Mashreq Online, and automatic teller machines).

In the event of any conflict between any of these Terms and Conditions and the terms and condition specified for the other products, services or offers, the terms and condition specified for the other products, services or offers shall prevail. Further, in case of inconsistency between general terms and conditions and additional term and conditions detailed below, the additional terms and conditions shall prevail.

The Customer’s signature on the Mashreq Digital Onboarding Consent Form, (as defined below), when the Customer fills in the particulars of the Account Opening digitally and signs Mashreq Digital Onboarding Consent Form manually, or applications, or the subscription through any permitted channels and/or any transaction conducted in or through the Account(s) shall constitute acceptance of these Terms and Conditions by the Customer as amended from time to time.

The Bank may at any time, at its sole discretion and determination, waive compliance with any of the Terms and Conditions and such waiver shall not prejudice the Bank’s right and benefits in any of the remaining Terms and Conditions including the Bank’s rights to enforce such Terms and Conditions.

To the extent permitted by applicable laws and Shariah principles as defined by Shariah Board, the Bank may change, replace, supplement, or delete any of the Terms and Conditions mentioned below or the Schedule of Charges mentioned on the webpage, in its sole discretion and at any time. If there are any changes to these Terms and Conditions or Schedule of Charges or to any Specific Features, the Bank will give the Customer thirty (30) calendar days’ notice of such changes through the Website and/or via e-mail and/or through any other means of communication as deemed appropriate by the Bank and the Customer acknowledges and agrees that in the absence of any written objection by the Customer received by the Bank within fifteen (15) days, the Customer shall be deemed to have accepted and agreed to such terms and conditions.

Definitions

1. "Account" means an account maintained by the Account Holder in Mashreq in which credits and debits may be affected by virtue of Electronic Funds Transfer and other funds transfer mechanisms including cash, and other paper-based instruments that are used to conduct Banking activities as outlined in different regulations.
2. "Account Holder" means Customer and /or the business owner, in the case the account is in the company's name.
3. "Account Opening Form" refers to the relationship form for Account(s), whether electronic or otherwise.
4. "Applicable Laws" means any law, legislation, statute, ordinance, code, order, decree, directive, judgment, decision, injunction, license, permit, approval of any Competent Authority, rule, regulation, and judicial interpretation thereof, and any interpretation of or determination in respect of any of the foregoing, by any Competent Authority having jurisdiction over the matter in question and binding on a given person.
5. "ATM" means automatic teller machine(s).
6. "Bank" and/or "Mashreq" means Mashreq Bank Pakistan Limited and its successor and assignees.
7. "Biometric Verification System" or "BVS", means technology enabled system (verifiable from NADRA or the relevant Government authority) that allows Mashreq to obtain biometric fingerprints of the Account Holders at the time of opening.
8. "Competent Authority" means any national, supranational, regional or local government or governmental, administrative, fiscal, judicial, or government-owned body, department, commission, authority, tribunal, agency or entity, or central bank (or any person, whether or not government owned and howsoever constituted or called, that exercises the functions of a central bank) or other recognized entity of any kind or other person exercising executive, legislative, judicial, regulatory or administrative functions.
9. "Customer" means a Mashreq Account holder who has opted to avail the Banking services from Mashreq in accordance with these Terms and Conditions.
10. "Fees" mean the fees charged by the Bank for providing the Services to the Customer, details of which are specified in the schedule of charges published by the bank.
11. "Debit Card" means a physical or virtual debit card issued by Mashreq which will be linked to the customer's Mashreq Account.
12. "Device(s)" means a smart-phone, personal computer, tablet, or other form of electronic device used by you to access the Bank Platform.

13. "Dormant or In-Operative Account" means the account in which no customer-initiated transaction (debit or credit) or activity (e.g. login through digital channels) has taken place during the preceding one year.
14. "Electronic Funds Transfer" means money transferred through an electronic terminal, ATM, telephone instrument, computer, magnetic medium or any other electronic device to order, instruct, or authorize Mashreq to debit or credit an account.
15. "Entitled Rights" means the specific profile created by the Bank, based on the Customer's instructions as given in the relevant Forms, defining the operational parameters within which any user can operate.
 - a. "Group" refers to, the Bank, any company of which the Bank is a Subsidiary (its holding company), any other Subsidiaries of any such holding company and the Bank's Subsidiaries, from time to time.
16. "In-app" notifications are alerts or messages displayed within a mobile application's interface to inform users about events, updates, or actions, enhancing user engagement by delivering timely information directly within the application.
17. "Liability" refers to (whether arising in relation to you, to the bank or to any third party) any loss, claim, demand, delay, obligation, expense, damage, cost, proceedings, penalties or charges or any other liability including legal costs, for any loss however caused (including any loss whether direct, indirect, consequential or incidental, even if advised of the possibility of such loss or damages) and irrespective of whether any claim is based on the loss of profit, business revenue, investment, goodwill, interruption of business or anticipated savings or loss of data.
18. "Mashreq Online/Mashreq Mobile" refers to a digital platform provided by a financial institution, enabling users to perform (but not limited to) banking transactions, check account balances, transfer funds, pay bills, and access financial services through a mobile device or internet connection.
19. "OTP" means a onetime password to allow user to access mobile application.
20. "PIN" means personal identification number created by the Cardholder to operate the Account(s) by way of a Debit Card at an automated teller machine ("ATM") or through other permitted and acceptable modes.
21. "PKR" means Pakistani Rupee.
22. "Policies" means the policies of Mashreq, as updated from time to time, in respect of AML/KYC, data protection, information security, and usage of intellectual property, which may be accessed at the Banks website, and shall include the Privacy Policy and Intellectual Property Policy.
23. "Privacy Policy" is Mashreq's policy governing the processing of personal data.

24. "RSBM" stands for Resident Shariah Board Member.
25. "SB" stands for Shariah Board.
26. "SBP" means the State Bank of Pakistan.
27. "Services" means the financial and non-financial services provided to the Customer with respect to the Account.
28. "Schedule of Charges" refers to a comprehensive list provided by the Bank outlining the fees and charges associated with various banking services and transactions that customers may incur, that is issued by the bank biannually, which will also be available on the bank's website.
29. "SMS" means the service which allows the exchange of short messages between a mobile station and the wireless system, and between the wireless system and an external device capable of transmitting and optionally receiving short messages.
30. "SNIC" stands for Smart National Identity Card.
31. "NICOP" stands for National Identity Card for Overseas Pakistanis.
32. "NTN" stands for National Tax Number.
33. "PTA" stands for Pakistan Telecommunication Authority.
34. "PRAL" stands for Pakistan Regulatory Automation Limited.
35. "FBR" stands for Federal Bureau of Revenue.
36. "GoP" stands for Government of Pakistan.
37. "Transaction" refers to a single instance of use of the Payment Services.
38. "Zakat" refers to the obligatory Islamic almsgiving or charitable donations, collected and distributed by financial institutions as part of Islamic banking practices. Zakat year is determined by the lunar Islamic calendar.
39. "KFS" stands for Key Fact Statement.
40. "PLS Account" stands for Profit and Loss Savings Account.

General Terms & Conditions

1. All deposits under the Current Account are accepted on the basis of Qard (i.e. is the transfer of ownership in fungible wealth to a person on whom it is binding to return wealth similar to it.). Funds deposited with the bank under a current account will be utilized by the bank at its sole discretion in Shariah compliant avenues.
2. The bank stands liable to repay the deposited amount in Current Account upon demand.
3. No profit is paid on the balances of Current Accounts in Rupee account and foreign currency account. No overdraft facilities will be allowed on these accounts.

4. All deposits under the PLS Savings scheme and PLS Term Deposit are accepted on the basis of Mudarabah (i.e. a partnership in profit whereby one party provides capital (Rab al-Mal) and the other party provides labour (Mudarib)), hence, the Customer is the Rab-ul-Maal and the Bank is the Mudarib here, and, this would be unrestricted Mudarabah where the Mudarib is delegated to invest the Mudarabah funds in any field of investment he deems suitable.
5. Funds mobilized by the Bank shall be deployed in Shariah compliant Islamic modes of financing/investment. The Bank reserves the right to participate in the business of the Mudarabah as an investor (using its own funds/equity/current accounts) on the basis of Musharakah (i.e. a relationship established under a contract by the mutual consent of the parties for sharing of profits and losses in the joint business.). The Bank reserves the right to participate in the business of the Mudarabah as an investor (using its own funds/equity/current accounts) on the basis of Musharakah (i.e. a relationship established under a contract by the mutual consent of the parties for sharing of profits and losses in the joint business).
6. The Customer undertakes and confirms to the Bank that they are not involved in any Shariah repugnant activities such as:
 - a. Liquor/Alcohol
 - b. Pork and all its byproducts
 - c. Haram meat/food
 - d. Gambling Businesses
 - e. Shariah non-compliant entertainment companies
 - f. Prostitution
 - g. Pornography
 - h. Interest-based lending/borrowing institutions e.g. Conventional banks, Development Finance Institutions (DFIs), etc.
 - i. Conventional insurance and stock brokering (except those only deal in Shariah compliant stocks in Shariah compliant manner).
 - j. Production and distribution of idols and statues.

In case of any doubt, the customer is required to seek clarification from the relevant account opening officer. The Bank reserves the right to close any account if Shariah compliance is violated. The Customer shall be responsible for the consequences of such a closure.

7. The Customer hereby agrees to provide accurate information and documents including up to date copies of their documents related to proof of personal identity, business identity, income documents and its source, etc.

8. The Customer hereby acknowledges and agrees that he/she is responsible for verifying the accuracy of any account/transaction statements sent to them.
9. The Customer hereby agrees to provide details of transactions carried through the Customer's Account(s) as and when required by the Bank.
10. The Bank shall at all times have the right to verify the information furnished by the Customer in relation to Account(s) and any other information pertaining to the Customer as may be required by the Bank for opening or maintenance of the Account(s).
11. The Bank has the right from time to time, at its sole discretion and determination, to impose any maintenance or service charges on Account(s) held by the Customer.
12. All transactions undertaken by the Bank or at the Customer's instructions shall be at the cost and risk of the Customer. The Bank shall not be liable to the Customer if the value of the funds credited to the Customer's Account(s) diminishes due to levies, taxes, fees, or depreciation.
13. All applicable Government taxes and levies shall be recovered as per applicable laws and related directives/circulars etc. in force.
14. During the course of the Bank's relationship with the Customer, there are several instances where the Bank requires certain information from the Customer in order to enable the Customer to conduct secured/financial transactions through online and digital channels. Where such information is provided by the Customer, the Customer hereby acknowledges and confirms that he/she shall ensure that his/her contact details (such as phone number, correspondence address and e-mail address) shall remain up to date at all times. It is the responsibility of the Customer to communicate any updates to his/her information to the Bank.
15. The Customer hereby agrees that he/she is responsible for keeping any correspondence with the Bank secure for future reference.
16. The Bank shall have the absolute right without assigning any notice or reason to the Customer to combine and/or consolidate one or more Account(s) of the Customer and/or set off or transfer any sums standing to the credit of any such Account(s) in and towards satisfaction of the Customer's liabilities towards the Bank and/or its subsidiaries, or in any other respect whether such liabilities be actual, contingent, primary or collateral.
17. The Bank may at any time at its sole discretion and determination after serving an account closure notice, close the Account(s). In the event of any closure of the Account(s) for any reason, the Customer agrees that the remaining balance in the Account(s) (if any) can be disbursed or refunded to the Customer by the Bank in PKR, after deducting any applicable charges and fees (including conversion cost of foreign currency).
18. The records of the Bank regarding the amount of the deposits and the accrued profit in an Account(s) shall constitute evidence as to the correctness of the amount.

19. The Bank and its correspondent financial institutions have the right to block the funds transferred to/for Customer's Account(s) in case of suspicion of illegal activity/money laundering/terrorist financing/international sanctions and/or for any other reason that the Bank sees fit in line with the applicable regulatory or legal requirements. On the same basis, the Bank may decide not to allow any transaction in the Customer's Account(s) or close the Customer's Account(s) after serving an account closure notice.
20. The Bank may debit any of the Customer's Account(s), held/available with the Bank, at any time, in order for the Bank to recover any and/or all amounts/liabilities due and/or owed by the Customer to the Bank.
21. The Bank may choose to close the Customer's Account(s) if there are no transactions in the Account(s) for 180 days from the date of account opening. The customer must return to the Bank the cheque book and/or debit card relating to the closed account, if applicable.
22. The Bank may suspend operations of the Account(s) if there is no transaction for a period of one year.
23. The Customer shall keep the Bank informed at all times of any change/alteration in their communication details, residency status, and source of income.
24. The Customer shall not be entitled to overdraw an Account.

Dormant or In-Operative Accounts:

- a. If the Customer's Account(s) has not been operated (customer-initiated debit/credit transaction or activity) by the Customer for a period of 12 months, the Account will be classified as dormant account, and no withdrawal will be allowed until the Account is reactivated in line with Applicable Laws and regulations. The Bank reserves the right to debit any permissible Bank charges, government duties or levies and allow for the recovery of financing and profit/rent etc. which will not be subject to debit or withdrawal restrictions, subject to Applicable Laws and regulations.
 - b. For reactivation of dormant/inactive account, the customer/account holder must give a request as per process as advised by the Bank or as prescribed by the State Bank of Pakistan from time to time, in pursuance to the applicable laws and regulations.
 - c. If no transaction has taken place in the account for a period of ten years, the deposit in the account will be surrendered by the Bank to the State Bank of Pakistan as required by the Banking Companies Ordinance, 1962 and applicable laws, rules and regulations, as amended from time to time.
25. In order to comply with applicable laws and regulations and for the purposes of
 - a. getting Customer's personal information,
 - b. managing Customer's Account(s) and the transactions entered into by the Customer and
 - c. executing any product or service subscribed by the Customer, the Customer hereby agrees, consents and authorizes the Bank, its subsidiaries, agents and the Bank's third-

- b. Undertakes that the Bank shall bear no liability whatsoever in relying on the Document as an original;
 - c. Undertakes that Document or its delivery or execution by electronic communication does not violate or conflict with any laws applicable.
30. The Customer hereby consents to the receipt of offers, newsletters, promotions and other marketing communications (including SMS messages, emails and “in-app” messages) from the Bank. If the Customer wishes to withdraw consent to receive such marketing communications, the Customer can do so through SMS or the Customer can do so by logging in to Mashreq Online/Mashreq Mobile and clicking unsubscribe.
31. Sanctions Declaration: The Customer agrees and acknowledges that the Bank has always thrived on conducting its business in a compliant manner. The Bank, including all domestic and foreign branches, is committed to ensuring full compliance with applicable laws, regulations and sanctions requirements in all jurisdictions in which it operates. The Bank expects that its customers also abide by the same objective.

In consideration of the foregoing, the Customer further, acknowledges that:

- a. The Bank does not engage in any transactions, irrespective of currency, with or involving Iran, North Korea, Cuba, Syria, Crimea, Luhansk People’s Republic and Donetsk People’s Republic (Restricted countries/regions).
- b. The Bank does not engage with or involving North Sudan where there is a US nexus (such as but not limited to; US Dollar (USD), United States (US) territory or person, US owned/controlled entity or US origin goods). As such, the Customer understands that it is expected that the customers do not conduct any part of an import/export transaction in USD involving these countries. It is also advised that proceeds of any such transactions received in any other currency must not be converted in USD and routed through the Bank.
- c. The Bank does not allow any transaction with persons, entities or vessels designated as sanctions targets by local and international regulators.
- d. The Bank does not engage in transactions (including imports or exports) involving items of dual-use which can be used for offensive purposes e.g., items that can be used in nuclear proliferation, arms, ammunitions, etc.
- e. The Bank, pursuant to its policy, provides banking services exclusively to its account holders who are customers of the Bank.
- f. The Customer will not conduct transactions in their Account(s) on behalf of third party(ies).

In keeping with the Bank’s adopted policies and its regulatory compliance obligations, the Bank will not be able to serve customers that fail to abide by the foregoing requirements.

32. The Customer agrees to provide accurate declaration/information covering FATCA (Foreign Account Tax Compliance Act) and CRS (Common reporting Standard) forms. Failure to do so could lead to punitive actions as per the prevailing regulatory guidelines.
33. The bank at any time and in its sole discretion may suspend or freeze the Customers' Account, block transactions and/or put a hold on the Customers' Account and/or transactions under the following circumstances:
- a. If the Bank receives written confirmation or other evidence to its satisfaction of:
 - i. Customer's death or legal disability.
 - ii. if so appointed, the customers Nominee's death or legal disability.
 - iii. in the case of a minor, the Guardian's death or legal disability or dispute between the Guardians with respect to guardianship of the minor.
 - b. If the customers' salary/fund transfers (if applicable) to the bank cease or the Bank believes that the Customer is likely to lose his/her primary source of income, and the Customer has existing obligations to make monthly payments to the bank.
 - c. If the Customer has obligations to make monthly payments to the bank out of the Customers' income and the Customer receives any advance payments into his/her account, in which case the bank will have the right to put a hold on the advance payments corresponding to the monthly payments that they are intended to cover.
 - d. If the Customer does not, upon request, provide the bank with any information or documentation relating to the Customer and/or the Customers' account that the bank is required to maintain in accordance with applicable laws and/or the banks' own policies or is otherwise requested by the bank.
 - e. If the Customers' Account is in the process of being closed.
34. If the Customer (or the Customers' Nominee) default on any of the Customers' obligations under the terms of any of the banks policies.
35. Death of a Customer:
- a. In case of death of the Customer, the Account shall be classified as a deceased Account and the Bank will stop operation in the account immediately, after the receipt of official notice or as and when becomes aware of it from any reliable source. Operation of such account shall only be allowed strictly only upon production of a succession certificate or other court order from a court of competent jurisdiction, subject to applicable laws and regulations.
 - b. In case of operating instruction of either-or survivor, in the event of the death of either of the customer(s)/depositor(s), the credit balance in the account will be payable to the surviving customer(s) by allowing to perform one transaction to withdraw the available balance and subsequently account to be closed, provided that branch has not received

any notice of dispute. However, the same is subject to any change in applicable laws and regulations from time to time.

36. Without prejudice to the Bank's right to submit to any other law or jurisdiction, the Terms and Conditions governing the Account(s) are subject to the laws of Pakistan. Any dispute connected with these Terms and Conditions and/or Account(s) shall be submitted to the exclusive jurisdiction of the courts in Pakistan.
37. Fraud or misuse of Account must be informed immediately to the Bank.
38. The Bank shall have the right, without notice to the Customer, to debit the Customer's Account(s) with all fees, expenses, profit, commission/taxation and other charges for all the transactions between the Customer and the Bank. Please refer to the Schedule of Charges available at the Website for details.
39. Zakat, wherever applicable, shall be deducted on valuation date from applicable accounts having balance in excess of the exempted limit as declared for that particular Zakat year.
40. Declaration on prescribed Performa for exemption of deduction of Zakat will be registered with the Bank at least one month prior to the valuation date or as per Zakat Rules applicable from time to time. Zakat will be deducted as per Zakat and Ushr Ordinance 1980.

Terms & Conditions Applicable for Account Opening

1. Individual resident Pakistanis aged 18 or above and have valid identity document (SNIC/CNIC/NICOP) are eligible for opening an account. Both new and existing residents, individual customers of the Bank, are eligible to open an account. Proper identification/KYC of the Customer will be required at the time of opening the Account subject to the verification as per bank's policy/procedures and/or instruction of regulatory authority wherein, bank reserves the right to decline any account opening request received through web portal without assigning any reason whatsoever or in some circumstances the bank in its sole discretion may refer the Customer for enhance due diligence purposes.
2. To open an account, a customer will be required to have the following:
 - a. A valid CNIC/SNIC/NICOP.
 - b. A mobile number which must be registered (as per terms of PTA) in the name of the Customer as appearing on the CNIC/SNIC/NICOP for any type of accounts. The bank will, in its sole discretion, advise from time to time on the compatible devices, mobile operator and software. Bank may take action to penalize Customer including account blocking/closure in case of providing any incorrect information.

- c. Any additional documents/requirements, including but not limited to business-related documents such as NTN/STN etc. requested by the bank for the opening of an account that the customer has chosen to open with the Bank.
3. Any person opening or operating an Account is deemed to have read, understood and accepted these Terms and Conditions and the applicable Schedule of Charges, Key Fact Statement and any other governing declarations/undertakings, such as Sanctions Declaration, etc. issued and amended from time to time by the Bank.
4. The Customer hereby acknowledges that for the opening and operation of the Account and for availing the Services, the Bank may be required to have access to the Customer's data through the Biometric Verification System and the Customer hereby consents to the Bank for accessing such data through the Biometric Verification System. The Bank may discontinue the Services at its sole discretion any time without assigning any reason.
5. Document Required:
 - a. Customer shall upload a scan CNIC/SNIC/NICOP through the onboarding journey. Customer will fill FATCA/CRS forms digitally, whereby, Customer's consent shall be automatically appended with these forms once Customer clicks or selects a button or icon such as "Proceed" or "Accept" or any other similar words, which connote acceptance or agreement to something or by proceeding or continuing with and/or completing the Account opening process on digital channel/web portal of the Bank.
 - b. Customers may be asked for proof of business income/source of business income and any other regulator-approved requirement or as per the Bank's internal policies in the case of upgrading an account.
 - c. Upon any non-verification or incomplete documentation, the bank in its sole discretion has the right to stop any transactions until clearance of ambiguity, debit block, suspension of operation of account or close the account, whatsoever.
6. Account Limits

The following limits will be applicable for Customers, based on the account level they have opted/qualified for:

Account Level	Daily Debit	Monthly Debit	Max Credit Balance
Level 1	100,000	300,000	1,000,000
Level 2		1,000,000	3,000,000
Level 3	No Limit	No Limit	No Limit

- a. Channel and Debit Card limits may be separate but not in excess of the account-based limits mentioned above.
- b. The account limits may change from time to time as prescribed by the State Bank of Pakistan and/or appropriate laws and regulations without requirement of explicit communication to the Customer.

Terms & Conditions Applicable for Mudaraba Profit & Loss Sharing (PLS) Account

1. The Net Income of Pool will be calculated by deducting all direct expenses, write-offs and loss of Investments from the Gross Income of Pool. The distributable profit will then be divided between the Bank (as Mudarib – based on the prevailing Mudarib's Profit Sharing Ratio (PSR) announced) and Depositors (as Rab-ul-Maal based on the pre-agreed Weightages). However, if the bank has comingled its fund/equity in the pool, the Net Income of Pool shall be allocated between Bank's equity and the Depositor's fund in proportion to their respective share in pool. The remaining Distributable profit will then be divided between the Bank (as Mudarib – based on prevailing Mudarib's Profit share announced) and customers (as Rab-ul-Maal – based on the pre-agreed PSR & Weightages).
2. The Bank reserves the right to change the weightages applicable to the calculation of profit from time to time and will be announced at least 3 working days before the beginning of concerned period and shall not be changed during the concerned period. The prevailing weightages shall be available on Mashreq's Mobile App and/or website.
3. The PLS Term deposits/Certificate of Investments (COI) will be eligible for participation of profit and loss on the condition that they will not be withdrawn from the Bank before maturity. In the event any depositor wishes to withdraw the funds earlier than its date of maturity, the applicable profit, if any, shall be calculated on the weightage of the nearest completed PLS Term deposit/COI of the respective tenure. If the customer withdraws before completion of the minimum term deposit tenure, the customer will not be eligible for any profit payout. The Bank reserves the right to pay the difference, if any, to the depositor and/or claim/charge the difference from depositor by debiting the depositor's account or which the depositors shall reimburse forthwith on Mashreq's first demand.
4. The customer is aware that all deposits in the Mudarabah pool are exposed to potential losses arising out of a loss incurred in respect of assets in the Mudaraba Pool. Any losses incurred by the Mudaraba Pool during a profit allocation period shall be borne solely by the depositor. The Bank shall only be responsible for losses if they occur due to Mudarib's negligence and willful

misconduct. However, if after due consideration of the matter, the Bank determines that the loss incurred was caused by the gross negligence or willful default of the Bank, the customers will not be liable to share in such loss. If however, the bank has also invested its own funds in the Mudaraba Pool as Shareek then such losses shall be shared between the depositor and the Bank proportionately in accordance with their shareholding invested by the depositor and the Bank.

5. The Depositor consents that the Bank may, in order to maintain a certain level of return on investment for depositors, appropriate an amount for the Profit Equalization Reserve (PER), after approval by the Bank's Resident Shariah Board Member (RSBM)/Shariah Board (SB). The amount shall be appropriated before allocating the Mudarib Share in line with regulatory guidelines. PER may be appropriated back to depositors at the sole discretion of the Bank.
6. The Depositor also consents that the Bank may appropriate an amount for the Investment Risk Reserve, after allocating the Mudarib Share, in order to cater against future losses, after approval by the Bank's Resident Shariah Board Member (RSBM)/Shariah Board in line with regulatory guidelines.
7. The Depositor will not be eligible to participate in the Management of the Bank or in decisions concerning Investment of Funds and by signing the terms and conditions depositor allows unrestricted right to the Bank/Mudarib to invest these funds.
8. Any amount allocated as profit/loss by the Bank as per the defined modus operandi shall be final and binding on all Customers. No Customer or any other person claiming on his/her behalf shall be entitled to question the basis of determination of such profit/loss.
9. In the event that the entire deposit in a Savings Account is withdrawn at a time during the month when the Mudarabah profits for that profit calculation period cannot be ascertained, the profit amount in such case shall be calculated using the profit rate applicable for the immediately preceding profit calculation period and paid to the depositor as soon as possible following which the account will stand closed. Under the principle of Takharuj (disassociation), such calculation and payment to the customer shall be in FULL AND FINAL DISCHARGE OF BANK'S OBLIGATIONS TO THE CUSTOMER AND NO FURTHER CLAIM WHATSOEVER SHALL BE MADE OR ENTERTAINED. In consideration of receiving the profit amount calculated using the profit rate for the immediately preceding profit calculation period, the depositor agrees to waive any right he/she/it may have to receive the profit amount calculated in accordance with the profit rate for the then applicable profit calculation period and agrees that any such profit amount shall be applied to the benefit of the remaining account holders, and the date such amount or amounts are paid shall be the profit payment date for that account.

Liability and Indemnity

1. The Bank shall only be liable for any loss, damage, cost or expense suffered by the Customer caused as a direct result of its or their gross negligence or willful default. The Bank will not be liable for any other direct or indirect loss or damage suffered or incurred by the Customer irrespective of whether the Bank had been advised of the possibility of such loss or damage or arising from a breach of the Terms and Conditions by the Customer. In any event the total aggregate liability of the Bank for any and all loss, damage, cost or expense shall be limited to the Customer Fees paid by the Customer for the immediately preceding calendar year in which the loss or damage has incurred.
2. The Customer shall be liable for (i) any action taken by any user under the Terms and Conditions and for instructions issued by a person to whom information relating to the Entitled Rights and use of the Services has been disclosed by the Customer, its employees or agents, and (ii) compliance with these terms and, any other instruction given to the Customer by the Bank from time to time with respect to the Services, and for any loss, damage, liability, cost and expenses that the Bank may suffer as a result of the Customer breach of this Terms and Conditions and material failure by the Customer to comply with the requirements of the Bank or the Terms and Conditions.
3. The Customer hereby agrees and undertakes to protect, defend, hold harmless, indemnify and keep the Bank fully indemnified of, from and against any and all claims, demands, liabilities, obligations, losses, damages, penalties, actions, causes of action, costs and expenses of any kind and nature whatsoever that may be imposed on or asserted against or incurred or suffered or sustained by the Bank directly as a result of or in consequence of the (i) Bank's compliance with the instructions, (ii) the use of the Services by the Customer, or (iii) any breach of the Terms and Conditions by the Customer.
4. The Customer also fully and irrevocably waives, releases, discharges and relinquishes the Bank from any and all claims, obligations and rights that the Customer may have against the Bank under the law or otherwise.
5. The Bank does not warrant that the information available through the Services is accurate, sufficient or error free or that such information is current and up to date at the time it is accessed.

Law, Jurisdiction & Immunity

1. The operation of these Terms and Conditions are governed by the laws of the Islamic Republic of Pakistan.
2. Any dispute or difference between the Bank and the Customer arising in respect of or touching upon the Account, any funds therein or these Terms and Conditions shall be referred to arbitration to be conducted at Karachi, Pakistan in accordance with the Pakistan Arbitration Act, 1940 or any subsequent enactment thereto.
3. Each of the Customer and the Bank waives any right it may have to immunity from legal proceedings or execution.