

## Term Investment Accounts

Our Term Investments accounts are based on the principle of profit sharing. Ranging from a minimum tenure of 3 months to a maximum of 60 months, our term investment accounts offer your investment a share of the profits earned through our investment pool. The better the performance of the investment pool, the higher the profit payable to you. We bring you peace of mind by refraining from investing your money in any socially harmful business activities so that you can enjoy returns without guilt.

### Product Features

- Product Concept : Mudharaba (Profit Sharing)
- Tenures to choose from & Profit Sharing Ratios: (Customer / Bank)
  - 3 Months 60% 40%
  - 6 Months 65% 35%
  - 1 Year 75% 25%
  - 1 Year (Monthly profit) 70% 30%
  - 2 Years 80% 20%
  - 3 Years 85% 15%
  - 5 Years 90% 10%
- Minimum Investment : Rs. 50,000 for 6M, 12M, 24M, 36, 60M (Profits at Maturity)  
Rs. 100,000 for 12M (Profits paid monthly)
- Other Benefits
  - Investment Certificate
  - Standing Instruction facilities on profit transfers
  - Automated renewal option

### Documents Required

- Individuals : National Identity Card (NIC)/ Passport / Driving License (DL)
- Companies, Associations and Societies : Registration Certificate and other statutory documents

## Feedback and Complaints

Customers of the Bank are invited to provide their valuable feedback by submitting the 'Tell us about your service experience' form available at the branch or downloading the same from our website [www.amanabank.lk](http://www.amanabank.lk).

You can also lodge complaints with regard to our products or services by either

1. Contacting the relevant branch manager
2. Emailing us about your complain to [feedback@amana.lk](mailto:feedback@amana.lk)
3. Contacting our hotline 011 7 756756
4. Submitting a message on our 'Contact Us' page of our website [www.amanabank.lk](http://www.amanabank.lk).

Once the complaint is received we will acknowledge receipt and keep you informed of the action promptly taken.

# MUDARABA AGREEMENT

## TERM INVESTMENT ACCOUNT

This Mudaraba Investment Agreement is made and entered into on this ..... day of ..... 20..... at ..... by and between ..... of ..... hereinafter referred to as the 'Investor/s' (which expression where the context shall so admit, mean and include the said ..... his/her/their heirs executors administrators successors in interest and assigns) of the ONE PART.

AND

Amāna Bank Limited (hereinafter sometimes referred to as the 'Mudarib' or the 'Bank') a company duly incorporated under the Companies Act No. 7 of 2007 and a Licensed Commercial Bank having its registered office at No.480, Galle Road, Colombo 03. (which expression where the context shall so admit mean and include Amāna Bank Limited its successors in interest and assigns) of the OTHER PART.

AND WHEREAS the Investor/s is/are desirous of opening a term investment account with the Bank for the purpose of investing from time to time in the Mudaraba Fund of the Bank to invest in the Bank's business activities that are expected to generate profits.

AND WHEREAS the Bank is willing to accept such funds for investment in the Bank's business activities that are expected to generate profits and share such profits on the following Terms and Conditions.

NOW, THEREFORE THIS AGREEMENT WITNESSETH AND IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

**1. In this Agreement unless the context otherwise requires,**

"Investment" - means the sum or sums of money that the Investor will entrust to the Bank on an agreed Profit sharing basis between the Investor and the Bank  
 "Mudaraba Fund" - means the pool of funds managed by the Bank entrusted by customers of the Bank for investments in Sharia Compliant business ventures  
 "Profit" - means the surplus that accrues on investments made by the Mudaraba Fund, which at the end of a specified period (monthly/quarterly/biannually) is available for distribution among Investors of the fund and the Bank  
 "Loss" means the deficit resulting from investments made by the Mudaraba Fund at the end of a specified period (monthly/quarterly/biannually) to be borne by the Investors of the fund.

**2. Profit and Loss:**

Any Profit made by the Fund will be shared in accordance with the agreed Profit Sharing Ratio. (PSR)  
 In case of Losses the Investor will bear the loss up to the maximum value not exceeding the Investor's capital in the fund.  
 The Bank will not be entitled to any return as the Fund Manager in case of activities that makes Losses.

**3. Issuing of the Term Investment Certificate:**

Every Investor shall be issued with a Term Investment Certificate which shall be the prima facie evidence of his investment with the Bank. Such Certificate shall specify:-  
 a. Name of Investor  
 b. The Capital Amount of Investment  
 c. The PSR  
 d. The Period of Validity

**4. Determination of Profit:**

It is clearly understood and agreed between the Investor/s and the Bank that the Bank cannot and does not guarantee a specific rate of return on investment but only agree to share the actual profits made by the Mudaraba Fund based on the PSR pre agreed and applicable to such investments at the time of distribution of profits. The PSR ratios offered from time to time will be published by the Bank.

Once the investment is made on an agreed PSR for a specified period the Bank shall not be entitled to change the PSR during such period. Any re-investment however will be made on the prevailing PSR at the time of Maturity of the Term Investment Account.

If specific instructions are not received by the Bank regarding the re-investment or the return of funds prior to the date of maturity, the Mudarib is hereby authorised to reinvest the same on the Terms and Conditions prevailing at the time of maturity of the Term Investment Account.

The profit on the investment will be calculated daily and distributed monthly/quarterly/biannually or as determined by the Bank from time to time.

**5. Premature Withdrawals:**

Premature withdrawal of funds invested in the Term Investment Account will be at the sole discretion of the Bank. In case of premature withdrawals the Bank will be entitled to either forfeit the Profit or change the PSR to the PSR applicable for normal savings accounts at its discretion.

**6. Expenses:**

The Bank is empowered to charge expenses directly connected with the administration of the Mudaraba Fund, to the fund.

**7. Suspensions:**

Upon receipt of valid notice of insanity, insolvency, bankruptcy or death of the Investor, all transactions will be suspended and the monies lying to the credit of the Investor/s in the Mudaraba Fund as at the date of receipt of such notice, will be held by the Bank without any further right of withdrawal until a court order is issued to the Bank specifying disposal arrangements of the proceeds of investments in the account.

**8. Joint Account Holder**

In the case of death of any joint holders where two or more persons are jointly holding the account the Bank will have the right to hold investments amount to the order of the survivor/s without any prejudice to the Bank's right of lien and set-off of whatsoever nature and the right to take any steps to comply with the provisions of the Bank's rules governing Mudaraba investments or other connected laws and regulations applicable from time to time. In the case of death of one of the account holders, the survivor/s do hereby undertake to advise the Bank in writing forthwith.

**9. Provision:**

The Bank as the Manager of the Mudaraba Fund is authorised, using its experience, knowledge and expertise to charge amounts from the profit of the Mudaraba Fund, before any other charge to the profits, to set aside estimated losses that would be necessary to meet possible losses arising from non performing Murabahas, Musharakas or similar facilities at the time of profit distribution. At the time of winding up the Mudaraba Fund, any excess or shortfall in the provisions created, are to be enjoyed or absorbed by the participants of the Mudaraba Fund at that time.

**Profit Sharing Ratio**

Amāna Bank :   %  
 Customer :   %

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Signature of Investor/s

Signed for and on behalf of Amāna Bank Limited

**Witnesses :**

Signature

Name

Date

1.			
2.			

## GENERAL BUSINESS CONDITIONS FOR ACCOUNT HOLDERS

1. By opening an account with AMANA BANK LIMITED ('the Bank') the Customer submits himself/herself/themselves to these conditions, unless stipulations to the contrary have been made in writing and agreed to by the Bank.
2. The Customer is obliged to supply the Bank with a specimen of the Customer's signature and with specimen signatures of the person(s) if any, authorised to bind the Customer vis-à-vis the Bank stating whether such power is general or limited and in the latter case exactly the extent of such limitation. If no limitations have been stated on the forms the Customer will be fully bound by any signature of which the specimen has been supplied to any amount and for any object, even if it appears that the authority of such persons has been particularly defined in Articles of Association or Regulations of Corporation or in general or limited Powers of Attorney or in any other documents. Modifications either as regards the persons qualified to bind the Customer or as regards the extent of their powers, will be only recognised by the Bank if notice thereof is given on aforementioned forms. The Bank is not responsible if damage or loss is incurred by the Customer through his negligence to furnish the specimens as mentioned in this article or by furnishing them incorrectly or incompletely.
3. If an account is kept in the joint names of two or more persons, all that is done by one or more of them in connection with this account will bind them all and they will be all of them jointly and severally liable for the account unless otherwise agreed upon in writing.
4. With the exception of securities, which have been handed to the Bank for special purposes (such as conversion, checking exchanging of scripts into definitive bonds or collection of dividends), all papers of value, such as for instance securities, bills of lading, warrants, bills of exchange and other commercial papers, belonging to the Customer which are in the custody of the Bank or which may come into its custody or which may be held by third parties on behalf of the Bank at the risk of the Customer, are considered to be under pledge to the Bank for all claims, including those not yet matured or contingent which the Bank may have against the Customer. Securities included in the above pledge, are unless otherwise arranged, taken up by the Bank in its general store of securities, with the right to have these securities re-pledged.
5. In the event of the Customer not meeting his/her obligations towards the Bank in whatsoever respect, the Bank is besides and in addition to its right of execution, authorised to realize the whole or any part of the security at such a time and in such a manner as it considers proper, without giving any prior notice or without previously, issuing a summons, and to reimburse itself out of the proceeds for all sums due to the Bank up to the moment of settlement including expenses.
6. In addition to any specific and/or general lien or other rights or remedies to which the Bank may be entitled and whether by operation of law otherwise, the Bank may at any time and without notice to the Customer combine and/or consolidate all or any account(s) and liabilities of the Customer and us or any one or more of us and set off or transfer any sum(s) standing to the credit of any such account(s) aforesaid in or towards satisfaction of any liabilities of any other such account(s) or in any other respect and whether such liabilities be actual or contingent, primary or collateral or several or joint.
7. Credit entries are effected by the Bank with the proviso that if it has to receive any counter value from or on behalf of the Customer validating against those entries, same shall be received properly and in good time, in default whereof the Bank is entitled to reverse any credit entry, fully or partly, without any notice whatsoever.
8. Statements of account should be carefully examined and the Bank notified immediately of any error or omission. If errors in the statements are not pointed out in writing to the Bank within seven days of their receipt, the Customer shall not be entitled to question the statement which shall thereafter be deemed final and conclusive between the Bank and the Customer.
9. The following conditions will govern cheque drawings by the Customer on his account with the Bank.
  - a. The Customer shall keep the cheque book handed to him by the Bank in safe custody and in case of any loss or theft of the cheque book or any cheque leaves the Customer shall notify the Bank and shall provide the Bank with written confirmation thereof. If, prior to the receipt of such notification, the Bank has paid a cheque lost, stolen, unlawfully used, fraudulently altered or forged the Bank shall be entitled to debit the Customer's account with the amount paid.
  - b. The Customer must fill up any cheque the Customer issues in such manner that falsification is prevented as far as possible: the amount for which the cheque is used must therefore be written in figures and in words in such a way that any addition of figures or words will be impossible without immediate detection.
  - c. In the event of the Customer having no further use for his cheque book and in case the account is closed, he is obliged to return his cheque book to the Bank as soon as possible.
10. The Customer shall immediately instruct the Bank in writing if cheques are lost/stolen or misplaced to stop payment giving the cheque number, date, amount and the payee's name. All such instructions will take effect only if the cheque/s concerned has/have not been paid up to the time of receipt of such instruction. Stop payment instructions given over the phone should be confirmed in writing within 48 hours of the relevant phone call. If such written instructions are not received within 48 hours, the Bank has the right to cancel the relevant stop payment instructions.
11. The Bank shall debit the Customer account(s) with all banker's charges, expenses of every description, fees, commissions, penalties, any profit mark up, return on investments, legal and any other charges as aforesaid whether taxable or not, occasioned by or incidental to all or any of the foregoing and charged by the Bank from time to time in accordance with the Bank's usual course of business and such other sums that the Bank may be called upon to meet such as taxes and/or charges or levies imposed upon the Bank at any time. In addition all expenses incurred by the Bank such as postage, stamps, telephone, and SWIFT charges will be charged to the Customer.
12. The Bank may at any time at its sole and unfettered discretion close any account without assigning any reason. However, the Bank will give the Customer 30 days notice of the closure of the account. The said notice shall be deemed to be sufficiently served on the Customer if forwarded to the Customer by post to the Customer's last known address. The Customer shall return on demand all unused cheques in the Customer's possession.

13. The Customer warrants that all information given to the Bank (whether in an account opening form or otherwise) are true and accurate to the best of the Customer's knowledge. The Customer undertakes to notify the Bank of any change in this information.
14. The Bank shall be notified immediately of any change in the Customer's address.
15. All deposits with the Bank are payable at their counters.
16. Amana Bank Current accounts will operate under the Quard (Loan) principles. The Customer shall not overdraw the Customer's account/s except by special arrangements made with the Bank. The Bank has the right to dishonour cheques if there are insufficient funds in the accounts, and charge for each cheque returned. The Bank may however at its sole discretion honour cheque/s and/or bills and/or promissory notes accepted or made by an authorised signatory of the Customer notwithstanding that the honouring of such cheques etc may cause such account to be over drawn or an overdraft arrangement to be exceeded. In such instances the Customer is obliged to repay the overdrawn amount together with all banker's charges, expenses of every description, fees, commissions, penalties, any profit mark up, return on investments, legal and any other charges as aforesaid whether taxable or not, occasioned by or incidental to all or any of the foregoing and charged by the Bank from time to time in accordance with the Bank's usual course of business and such other sums that the Bank may be called upon to meet such as taxes and/or charges or levies imposed upon the Bank at any time, on demand unconditionally, and the Bank has the right to recover such costs and charges as aforesaid from the Customer. Nothing herein contained shall be construed as an agreement either expressed or implied by the Bank, that the Bank is bound to grant an overdraft facility whatsoever.
17. Any and all amounts credited to the above account(s) while any overdraft or any other banking facilities in connection with the current account shall firstly be applied to reduce any banker's charges, profit mark up and expenses of every description all in accordance with the Bank's usual course of business as may be fixed or charged by the Bank from time to time payable on the said overdraft or any other banking facilities until such charges are paid in full. Only then shall any such amounts so credited be applied to reduce the principal amount of such overdraft or any other banking facilities.
18. The Bank shall be entitled to charge penalties in accordance with normal banking practice in the event that any sum or sums remains outstanding have fallen due and payable by the Customer. Provided that in such an event the value of the penalties shall be directly credited to the charity fund maintained by the Bank from which the Bank may set off its expenses and dispose of the balance to a charity approved by the Sharia Supervisory Council.
19. Notwithstanding the temporary advice issued by the cheque deposit boxes and automated teller machines (ATMs) the Bank will not under any circumstances or for any reason whatsoever, entertain any claims in respect of the cheque said to have been deposited into cheque deposit boxes or ATMs unless cheques so deposited have been credited to the Account of the Customer. Cheques credited to Customer Accounts are accepted for collection only, and proceeds will not be available for withdrawal until cleared by the Drawee Bank. Funds available date is shown for indicative purposes only.
20. The Bank does not recognize trusts.
21. The Customer hereby authorizes the Bank to respond to enquiries received from other banks concerning the Customer's account(s) without any further reference to the Customer.
22. The Customer acknowledges and accepts that the Bank offers products and services under Islamic banking principles. Accordingly, by opening an account with the Bank the Customer shall be subject to such banking principles as may be in force from time to time. The Sharia aspect of the terms and conditions upon which such products and services are obtained by the Customer shall be subject to the guidelines and decisions of the Bank's Sharia Supervisory Council.
23. The Bank is governed by all normal laws and regulations of Sri Lanka applicable to banks, (including regulations and directives issued by Central Bank of Sri Lanka) whilst conforming to Sharia law under the guidance of the Bank's Sharia Supervisory Council.
24. On any dispute concerning the Sharia aspect of the terms and conditions upon which the Bank offers any products and services to the Customer, the decisions of the Bank's Sharia Supervisory Council shall be final.
25. These terms and conditions may be amended, added to, or replaced from time to time at the absolute discretion of the Bank and any such amendment, addition or replacement will be notified to the Customer by the Bank. Displaying such terms and conditions as amended, added to, or replaced in the banking hall of the Bank's head office and branch offices is deemed to be sufficient notification of such amendment, addition or replacement.
26. By continuing to operate the account or accounts at the Bank after such notification the Customer is deemed to agree to any such amendment, addition or replacement in the foregoing conditions made by the Bank unless the Customer has made the Customer's objections known within two weeks of the date of the notice of the amendment, addition or replacement of these terms and conditions.

I/We hereby agree to the foregoing terms and conditions

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Signature of Account Holder

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Name of Account Holder

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Signature of Account Holder

.....  
Name of Account Holder

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Signature of Account Holder

.....  
Name of Account Holder

Account No :

Date :