

## Trade Services

Trade Services products are interest-free and structured under the principles of equity and fairness. It is available to all eligible customers irrespective of their ethnicity.

All products are approved by a **Sharia Supervisory Council**, subject to regular Sharia audits and governed by the Central Bank of Sri Lanka.

### Products

#### **Imports**

- Imports under Documentary Credit (Sight & Usance)
- Imports under Collection (DP & DA)
- Import Financing
- Shipping Guarantees

#### **Exports**

- Exports under Collection (DP & DA)
- Exports under Documentary Credit (Sight & Usance)

#### **Guarantees**

- General Guarantees
- Customs Bonds
- Bid Bonds
- Performance Guarantees
- Advance payment Guarantees

#### **Others**

- Other Trade related Operations

### Import Murabaha (Cost Plus Markup)

Murabaha refers to the sale of a commodity where the seller agrees with the buyer to provide him with a specific commodity (import consignment) on an agreed profit, added to his costs.

#### **Basic Rules**

Murabaha is the sale of a commodity (import consignment). Therefore it has to fulfil all conditions necessary for a valid Islamic sale. The following rules on the contract of sale are important to make it valid.

- 1) The goods must exist at the time of the sale.
- 2) The goods must be in the ownership of the seller at the time of the sale.
- 3) The goods must be in the physical or constructive possession of the seller at the time of sale.
- 4) The sale must be instant and absolute.

Therefore Amana Bank first purchases the goods (import), gain constructive possession of it and then sells it to the customer.

#### **Security / Collateral**

The customer is required to provide adequate security / collateral to cover Amana Bank's exposure.

### **Salient Features**

- Asset backed financing
- Transparent fixed pricing
- Amana Bank takes full ownership and risk when buying and selling the goods
- Sharia compliant
- No hidden costs
- No processing fee
- No interest rate fluctuation risk

### **Import Musawamma (Lump Sum Financing)**

Musawamma is a simple transaction where the seller sells his commodity without disclosing his cost.

#### **Musawamma as a Mode of Finance**

Amana Bank offers this product in situations where it is not possible to compute the extra cost of goods due to:

- a) Arrival of shipment before receipt of shipping documents. (Clearing under Shipping Guarantee)
- b) Usance / Acceptance where actual payment to supplier is made on a future date.

Musawamma is a financing technique which allows to sell at a lump sum fixed price, facilitating the clearance of the goods from the port to the customer's warehouse.

### **Letter of Guarantee (Dhaman)**

Dhaman is a contract where a person guarantees any claims, debts or obligations that should be fulfilled by a debtor, supplier, or contractor. In the event they fail to fulfil the obligations, the guarantor is responsible to fulfil such obligations.

### **Fee Based Services (Wakala)**

Trade related services under Wakala consists of one person empowering another person to perform some acts for him, whereby the latter stands liable to execute the transaction. The customer is the 'Principal' and the Bank acts as his agent. There is no financing by the bank and a fee is charged for the services rendered to the customer, who provides full value for the transaction. This applies to all Trade Services.

## **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.