



## ila Investment Products Terms and Conditions

Please read the following terms and conditions (as amended from time to time) ("Terms and Conditions") carefully before using the ila App for placing a trading order. ila is the retail brand of Arab Banking Corporation (B.S.C.) a Bahraini shareholding company (public) duly established in Bahrain and registered in the Commercial Register under C.R. No. 10299, and its head office at ABC Bank Tower, Diplomatic Area, PO Box 5698, Manama, Bahrain ("ila", "We", "Us") and is licensed and regulated by the Central Bank of Bahrain ("CBB"). By using the ila App for this service You acknowledge and agree that you shall be bound by these Terms and Conditions:

### 1. Investment Eligibility Criteria and Customer Classification:

- a. The investment products currently offered on the ila App include Bahraini Dinar ("BHD") debt instruments issued by the CBB.
- b. BHD denominated debt instruments can be offered to retail and Accredited Investors.
- c. "Accredited Investors" are those investors defined in the CBB Rulebook as:
  - a. Individuals who have a minimum net worth (or joint net worth with their spouse) of United States Dollars ("USD") one million (USD 1,000,000), excluding that person's principal place of residence; or
  - b. Companies, partnerships, trusts or other commercial undertakings, which have financial assets available for investment of not less than USD one million (1,000,000); or
  - c. Governments, supranational organisations, central banks or other national monetary authorities, and state organisations whose main activity is to invest in financial instruments (such as state pension funds).
- d. ila may require You to complete a Customer profile questionnaire in order to assess Your knowledge, needs, circumstances, risk appetite, experience in the investment field and investment objectives ("Customer Profile Questionnaire") at the same time as submitting a request for an investment product and/or periodically from time to time. You must ensure that the information provided to ila in any Customer Risk Profile Questionnaire or otherwise is true, accurate, not misleading and up to date. ila shall be entitled to assume that information about Your knowledge and experience as set out in a Customer Profile Questionnaire and in any further document provided by You is accurate and ila has no responsibility to You if such information changes unless and until You have notified ila of such changes.
- e. ila is required to classify You according to your individual circumstances in accordance with the requirements set out in the relevant provisions of the CBB Rulebook. You may be classified as a "retail investor" or an "Accredited Investor".
- f. ila will notify You of its client classification upon first classification and at any time that such client classification changes. You must promptly notify ila of any changes to Your status or to any information previously provided to ila that may affect your client classification. If ila becomes aware of any change to Your status or the information previously provided to ila, ila may be required to take any action it deems necessary,



including reclassifying You.

- g. You have the right to elect to be classified as a “retail investor”. If You are classified as an “Accredited Investor” and You do not object to this classification within the time period specified by ila, you acknowledge and agrees that You may not be afforded the same level of protection as would generally be afforded to “retail investors”. If You elect to be classified as a “retail investor” ila may be required to cease offering, You an investment service or certain features of an investment service.

## **2. Indicative Information:**

- a. The information of the securities displayed on the ila App, including prices and yields, are indicative only. You are therefore encouraged not to rely solely on these prices when making trading decisions.
- b. You understand and agree that the prices of securities may not reflect the actual market prices at the time of placing the order or at execution. You further understand and agree that market prices are subject to fluctuations and may change rapidly. ila shall not be held liable for any losses or damages arising from fluctuations in market prices, nor for any trades made based on mistaken beliefs about the actual prices of securities at the time of placing an order or execution. You are solely responsible for understanding the risks involved and making informed investment decisions.

## **3. Indicative Trade Ticket:**

- a. ila will make reasonable efforts to achieve the best possible execution result for You.
- b. ila will be limited by the indicative execution price entered by You for the execution of the trade. However, the total transaction value may be impacted by the amount of accrued interest (if applicable) which is influenced by factors such as the time of actual order execution. This may result in a higher transaction value than what is displayed on the indicative trade ticket.
- c. The actual accrued interest amount will be calculated and reflected as part of the final trade confirmation, which You will receive separately upon successful execution of the trade.
- d. The indicative trade ticket displayed upon placing an order is only indicative and neither guarantee the execution of the trade nor the final execution parameters if the order gets successfully executed.

## **4. Order Status, Cancellation & Timeframe:**

- a. Your trade order may go through different statuses during the process, including “Submitted”, “Canceled”, “Processing”, “Active”, “Matured”, “Pending sell Request” or “Sold”. The purpose of this process is to ensure the accuracy and completeness of Your information and trade order information, the availability of the transaction amount in Your ila account and the validity of the request.
- b. The “Submitted” status indicates that Your order has been received and is awaiting verification.
- c. The “Canceled” status indicates that the Your order has been canceled before the bid due date (one (1) day before tender date).
- d. The “Processing” status indicates that Your order has been accepted and is awaiting

- allocation.
- e. The “Active” status indicates that Your allocation has been placed.
  - f. The “Matured” status indicates that Your investment(s) have matured.
  - g. The “Pending Sell Request” status indicates that Your sell order has been received.
  - h. The “Sold” status indicates that Your investment(s) have been sold.
  - i. When the status of your order is “Processing”, this indicates that the order has undergone the necessary validation process. The processing of the trade order does not guarantee allocation placed initially.
  - j. Bids are typically accepted one (1) day before tender date defined by the CBB. No bids are accepted after this date.
  - k. If the trade was not successfully executed within the above indicated timeline (clause (4.d)), You will not be able to participate.
  - l. ila reserves the right to “Reject” a trade order for any reason, including but not limited to, incomplete information, insufficient funds in Your ila account, technical issues, regulatory issues, or suspected fraudulent activity.
  - m. You may cancel Your order before the bid due date. You will be able to do so by accessing “Government Securities” on the ila App.
  - n. Cancellation after allocation will not be possible. In this case, You will be obligated to follow the selling process.
  - o. You will be able to track the status of Your trade order through the ila App.

#### **5. Execution Timeframe, Trade Confirmation & Statements:**

- a. Placing an order through the ila App does not guarantee execution. The execution of trades is subject to various factors, including market conditions, liquidity and the availability of counterparties.
- b. Your request to buy the defined debt instruments greater than or equal to a minimum amount configured by Us.
- c. If the trade was not successfully executed within the above indicated timeline, the trade order will automatically expire.
- d. Upon successful execution of Your trade order, We will separately send You a trade confirmation in accordance with Bahrain law. The details on the trade confirmation will include, but will not be limited to the transaction type, transaction date and settlement date, execution price, quantity, transaction fees, VAT, total transaction value and other relevant information.
- e. The trade confirmation may differ from the indicative trade ticket, particularly in terms of the execution price (which will be limited by the indicative execution price entered by You), fees and accrued interest.
- f. ila shall provide a holding positions statement and account statement to You in respect of the relevant debt instruments at monthly intervals or such intervals as ila may determine in accordance with Bahrain law.
- g. You understand and agree that ila will not be liable for any losses, damages, or claims arising from the non-execution or delay in the execution of any trade.
- h. You must review each confirmation and account statement received and notify ila if you have any objections concerning the correctness or completeness of an account statement, You must notify us within thirty (30) days from the date of such statement. We will investigate and seek to resolve the matter to your satisfaction.



- i. It is Your responsibility to notify ila if You do not receive a confirmation or account statement within [thirty (30) Business Days of the date on which such confirmation or account statement should have been received.

## **6. Schedule of Fees:**

The schedule of fees and charges that may be applied to the investment products offered through the ila App are as presented below and You agree to pay any such applicable fees and charges. The schedule of fees and charges may be changed by Us from time to time in Our sole and absolute discretion. In which case, an advance notice shall be provided to You at least thirty (30) days prior to implementation of the change in the schedule of fees and charges. Any such variation shall be effective from the date specified by ila in such notice.

For the purposes of these schedule of fees, "Principal Amount" refers to the original amount invested.

## **7. Transaction Amount Hold:**

- a. You must make the buy transaction amount available in Your ila BHD bank account(s) at the time of placing an order.
- b. You authorise ila to debit the transaction amount for the buy trade orders from Your ila BHD bank account(s). Sale proceeds and coupons will be deposited in the same account used at the time of purchase.
- c. Upon verification of a buy trade order, ila reserves the right and You authorise ila to put a hold on a transaction amount from the Your bank account.
- d. The transaction amount that is on hold ensures that the necessary funds are available for the execution of the buy trade and to cover any associated fees or charges. This amount will be released if the trade is not executed.
- e. You acknowledge and agree that ila shall not be liable for any consequences or damages resulting from the hold placed on the transaction amount.

## **8. Business Day:**

- a. The term "Business Day" refers to the timeframe excluding public holidays and weekends and is limited to the working hours of ila. It is Your responsibility to consider all relevant factors when placing a trade order in order to manage the potential execution timeframe.
- b. Delays in trade execution due to non-business days, trading hour limitations, or counterparties' unavailability shall not be considered as a breach of Our obligations to You.

## **9. Risks Associated with Trading:**

- a. Trading involves inherent risks, including the uncertainty of future investment value, potential loss of invested capital and the potential illiquidity of securities. You should carefully consider Your financial situation, risk tolerance and investment objectives before engaging in any trading activities.
- b. ila strongly advises You to seek independent financial and/or legal advice before



making any investment decisions. ila shall not be liable for any investment decisions that result in losses or adverse outcomes. You are responsible for Your investment decisions and should exercise due diligence when making trades.

#### **10. Limitation of Liability:**

ila shall not be liable for any direct, indirect, incidental, consequential, or exemplary damages arising from the use of the ila App or the execution of trades.

#### **11. Communications:**

To contact us, please use the following contact details:

Contact Center:

Contact No. +973 17 123 456

E-mail: [support@ilabank.com](mailto:support@ilabank.com)

For inquiries and assistance.

#### **12. Acknowledgments:**

You acknowledge, understand and agree the following:

- **Acknowledgement of Understanding:** You have read, accept and understand the terms and conditions set out herein, the Offering Memorandum of the securities issuer, and the memorandum and articles of association of the securities issuer.
- **Acknowledgement of Risk:** You understand and are willing to accept the full risks of Your investment(s) having taken full and independent advice where appropriate. In particular, You understand the high risk of capital loss. You understand that markets fluctuate and the bond prices are subject to change, volatility and instability.
- **Acknowledgement of Responsibility for Accuracy and Error:** You accept that any inconsistencies, illegibility or errors solely due to input made by You as part of placing trade orders are at Your own risk and that Your order will not be processed until all the relevant and requested information has been made available. You understand and accept full responsibility for the contents inputted by You as part of submitting Your trade order and fully indemnify ila and its agents for any losses caused by any negligent error inputted by You or omission solely on Your part in relation to Your trade order.
- **Transaction Account and Account Pre-Funding:** You authorise ila to debit the transaction amount of buy trade orders from Your ila BHD bank account(s). You understand and accept that the transaction amount must be available in Your ila BHD bank account at the time of placing the buy order and ila reserves the right to put the transaction amount on hold. The amount will be released by ila if the trade was not executed.
- **Payment:** You understand that redemptions and any coupons will be paid in the same



account that was used to deduct the amount for the purchase of the security. All redemption proceeds shall be paid in the currency of the debt instrument(s).

- **Dealing, Trading and Subscription:** You understand and accept that ila may, in its sole discretion, pay/receive commission to/from financial intermediaries which refer prospective bond deals or may charge/pay different prices to different investors and different intermediaries. You understand that ila may aggregate orders where aggregate orders do not disadvantage customers. You hereby consent that Your order may be aggregated with other clients, provided that this provides You with a better execution price. You understand that the historical security performance does not guarantee future results.
  
- **Correspondence:** You understand that a Trade Confirmation Note will be sent following the successful execution of Your trade order. All documentation, including client statements, payments and advices issued in respect of this application will be sent to the registered email or/and mobile telephone number unless otherwise instructed.
  - a. ila and the Administrator may act upon facsimile instructions from or purporting to be from You and such instructions will be binding on You.
  
  - b. You acknowledge that ila and the Administrator may act upon facsimile or email instructions from Your registered email or purporting to be from You and such instructions will be binding on You.
  
- **Data Protection Disclosure:** For the purposes of this section, the terms “Data Processor”, “Data Controller”, “Processing” and “Personal Data” or “Data” shall be defined as per the definitions set out under Bahrain’s Personal Data Protection Law, Law No. (30) of 2018 with Respect to Personal Data Protection Law (“PDPL”) and any amendments thereto.
  - a. We are committed to maintaining the confidentiality, integrity, and security of personal data and sensitive information collected from you in accordance with PDPL. You hereby understand that we need to use your personal data to manage your account, to provide our products and services to you and to meet our legal and regulatory obligations. We may also share your information with any relevant local or overseas government or regulatory agency and where necessary with any of our group of companies or agents or external auditors or central bank or any other third party or service provider as may be required to provide the service requested by you and in accordance with our privacy statement available on: [www.ilabank.com](http://www.ilabank.com). ila keeps most of your personal data as long as you are using our platform, and for a minimum of five (5) years after that or as otherwise required by applicable Bahrain Laws.
  
  - b. All trade requests on the ila App will be verified by ila staff. ila will not perform any automated decision-making to assess Your financial position, behavior, or





trustworthiness.

- c. You may obtain copies of records relating to Your business with ila by requesting this from ila. Your record will be kept for five (5) years or as otherwise required by Bahrain law.
  - d. If you have any questions about our data privacy statement or to exercise your data privacy rights, please contact our contact center team at [support@ilabank.com](mailto:support@ilabank.com)
- **VAT:** Where applicable, Value Added Tax (VAT) will be added to the fees, charges and expenses associated with the trade transactions. All fees, charges and expenses payable shall be paid together with VAT or any other similar tax properly provided for under applicable laws and regulations. Any VAT payable with respect to any services provided by Us hereunder shall be paid by You on delivery of the respective VAT invoice, together with any sum agreed to be paid.
  - **Limited Liability:** ila is licensed by the CBB as a conventional retail bank. ila is bound by the CBB's regulations and licensing conditions. None of ila's directors, their respective officers, agents, employees, the lead managers, and other advisors assume any liability for any representation or warranty (expressed or implied) enclosed within, or omitted from any of the investments, or any other written or verbal information transmitted to You (or any of Your advisors), in the course of the assessment of Your proposed investment. You hereby certify that You approached ila to make this investment on Your behalf and You were not advised by ila to make this investment.

### **13. Termination and Sell Request**

- a. Any investment product or service offered by ila under these Terms and Conditions is offered at ila's sole and absolute discretion and may be discontinued, in whole or in part, temporarily or permanently at any time, for any reason. ila shall give You reasonable notice of any such closure, suspension or termination. Where permitted by applicable law, ila shall endeavor to provide its reasons for any such discontinuation.
- b. Provided there are no outstanding amounts in respect of an investment product or service due to ila, You may request to sell such investment product or service you are holding offered under these Terms and Conditions at any time by raising a sell request.
- c. Upon termination of an investment product or service, ila has the right to: (a) require the immediate settlement of all or any part of Your liabilities in respect of such investment product or service that remain outstanding; (b) immediately enforce any collateral or security provided to ila and exercise any of its rights in respect of such collateral or security; and/or (c) retain any of Your assets in ila's possession until ila is satisfied that all of Your liabilities in respect of such investment product or service due to ila are (or will be) irrevocably and unconditionally discharged, in each case, without further notice to You or resorting to any further formal action, whether legal or otherwise.
- d. ila and You agree that all investment products and/or services constitute a single series of connected transactions and to the extent that investment product and/or



- service is terminated in its entirety, for any reason, ila may terminate each investment product or service and determine the amounts, if any, that are payable to or by You in accordance with these Terms and Conditions. Any amounts payable by ila (or any other member of Our group ("Bank ABC Group")) to You following the termination of an investment product or service shall be set-off against any amounts payable by You to ila (or any other member of the Bank ABC Group) and only the balance outstanding after such set-off shall be payable by ila to You or vice versa (as applicable). For the purposes of this Clause, ila may convert any amount into any other currency at ila's exchange rate prevailing at the relevant time.
- e. All fees due to ila shall be calculated up to the expiry of any notice period (where applicable) and will be payable on the date of termination and any fees, costs and expenses incurred by ila in connection with such termination will be for Your account.
  - f. Termination of an investment product or service will be without prejudice to the completion of trades initiated prior to the termination date and the provisions of these Terms and Conditions shall continue to apply during any period of notice of termination.
  - g. You will have the option to sell any security owned by you. All such sell request will be made through ila mobile app or the Contact Center.
  - h. Requests for partial sale of the holding will not be accepted.
  - i. You should be able to select a security to sell using the app and request for its sale (only entire holdings same as purchase).
  - j. You'll be quoted with a sell price of your holding, The quoted price will have an expiry period.
  - k. If you accept the quote within expiry, the sell request will be accepted, and the security will be sold.
  - l. When a request for sale is placed, the quoted price will be made available based on market conditions at that time.
  - m. You will not be able to place a Sell request during blackout dates (weekends and holidays).
  - n. The proceeds of the sale to be credited to your account. Sale trade confirmation will be sent to you.

#### **14. Variation**

- a. Subject to applicable law, ila may at any time vary the terms and conditions applicable to any investment product or service, its Schedule of Fees or these Terms and Conditions (and such amendments may impose additional obligations on You). Notice of any such amendments shall be given by ila in any manner ila deems sufficient to bring notice of the amendments to Your attention, including (without limitation) by uploading the amended terms and conditions, Schedule of Fees, or Terms and Conditions to the ila App or otherwise making such amended terms available electronically.
- b. Any amendments made by ila in accordance with this Clause shall be effective from the date specified by ila.
- c. By continuing to use the ila App and any investment product or service, You shall be deemed to have accepted the terms and conditions applicable to that investment product or service as in force at the relevant time.
- d. If ila varies any applicable terms and conditions in accordance with this Clause and You (a) do not agree to such changes and (b) notify ila within thirty (30) days of notice of such





variation, You may request the termination of the affected investment service prior to the expiry of the period specified in paragraph (b) above or, if later, the date upon which the changes become effective. Provided no outstanding liabilities are due to ila, such request may be made without charge.

### **15. Governing law and Jurisdiction**

- a. These Terms and Conditions including any non-contractual obligations arising out of or in connection with them, and any terms we may agree on in respect of a specific trade (if applicable) shall be governed by and construed in accordance with the laws of Bahrain.
- b. ila and You agree to the exclusive jurisdiction of the courts of Bahrain to settle any dispute arising out of or in connection with these Terms and Conditions, any trade, service or other transaction or matter between ila and You provided that ila may bring proceedings in any other jurisdiction if it deems appropriate.
- c. You irrevocably waive all immunity (whether on the grounds of sovereignty or otherwise) that You or any of your assets or revenue may otherwise have in any jurisdiction from: (a) the service of any process against You or Your assets; (b) any proceedings (whether for an injunction, specific performance, damages or otherwise) that ila may bring against You or Your assets; (c) any attachment of Your assets (whether before or after judgment); and (d) any execution of a judgment against You, and, in each case, shall ensure that neither You nor any person acting on Your behalf will raise, claim or cause to be pleaded any such immunity at or in respect of any such action or proceeding.

### **16. Complaints**

- a. If You want to make a complaint, you should in the first instance contact the ila person with whom You had dealings or You may write directly to ila's Complaints Officer as designated on ila's website from time to time and we will respond to You in accordance with our complaints handling policy and applicable laws.
- b. However, if You are not satisfied with how ila handles Your complaint You can contact the Consumer Protection Unit at the CBB. The Consumer Protection Unit is available to settle certain complaints if they cannot be settled through ila's internal complaints procedure.
- c. By using the ila App, You acknowledge that You have read, understood, and agreed to abide by all of the above-mentioned terms and conditions and acknowledgements.
- d. If you have any questions or concerns regarding these terms and conditions, please contact ila contact center at [support@ilabank.com](mailto:support@ilabank.com).