



alburaq Islamic account terms and conditions

(Version 1.0)

1. Scope

These Alburaq Islamic account terms and conditions are applicable for all the banking services of Arab Banking Corporation (B.S.C.) acting through its retail branch ("ila", "we", "us"), which you ("you") can use via the mobile application named "ila" (the "ila App"). These terms and conditions apply in addition to our other terms and conditions and our privacy policy which are incorporated herein by reference and apply to the services offered by ila.

2. Object of service

The object of service is the management of your alburaq Islamic accounts and the debit cards issued to you. You can operate and manage your alburaq Islamic accounts and the debit cards using the ila App.

ila accounts, including without limitation, all currency accounts, Hassala accounts, and Wakala Investments are managed as credit accounts. You will have to immediately settle any overdraft created due to delayed receipt of debit authorisations or because of a higher amount due to foreign exchange rate variations with applicable fees which ila may recover from any of your ila accounts.

3. alburaq Islamic account opening

You can open an alburaq Islamic account with us on the condition you are at least 18 years old and you have not yet opened an alburaq Islamic account with ila. If you had closed your relationship with ila and wish to start a new relationship, please contact our Customer Contact Center on +973 17 123 456.

You can open alburaq Islamic accounts in each of the permitted foreign currencies using the ila App. We may, at our sole discretion, discontinue offering an alburaq Islamic account in any foreign currency. In such event, if you maintain a balance in such alburaq Islamic account after the notice period, we will close the alburaq Islamic account and transfer the balance to your local currency alburaq Islamic account at the prevailing exchange rate.

All ila services may not be available on all accounts.

4. alburaq Islamic account balance

You can make payments and transfers only up to the credit balance available in your



alburaq Islamic accounts. In some cases, the transaction amount will also include fees and charges and value added tax (VAT) payable on such transaction. Transactions initiated by you that exceed the credit balance available in the alburaq Islamic account will be rejected. Charges for each type of transactions are listed in the "*Schedule of fees and charges*".

5. alburaq Islamic account statements

We shall at the end of each month produce a statement of your alburaq Islamic accounts unless we have notified you that we may not issue statements for a specific product. The monthly statements can be downloaded using the ila App.

If you have any objections concerning the correctness or completeness of an account statement, let us know within 30 days from the date of such statement. We will investigate and seek to resolve the matter to your satisfaction.

6. Inactivity of the alburaq Islamic account

If your alburaq Islamic account is without a transaction initiated by you for a period determined by ila or the Central Bank of Bahrain from time-to-time, we will mark your alburaq Islamic accounts and our relationship as dormant. We will also recover applicable fees as per the "*Schedule of fees and charges*". You will not be able to use your alburaq Islamic account for any payments or transfers nor use your debit card if your alburaq Islamic account/relationship is marked dormant. Although we may allow electronic and manual credits to your account, it will not change the status of your account from dormant. In order to reactivate your relationship with ila, you must meet our know you client ("KYC") requirements. You may be required to provide additional and/or new identification and other KYC related documents to reactivate your relationship and gain access to your alburaq Islamic account.

Even if your alburaq Islamic account is marked dormant, we will continue to allow electronic and manual transfers into your alburaq Islamic account. However, if your account is dormant and its balance becomes zero, your account will be closed within six months from the date of dormancy. We will send you a notification before closing the account by mail, e-mail, or other suitable communication channel.

7. No unauthorised overdrafts

You must not use the ila App to create an unauthorised overdraft in your alburaq Islamic account. We are entitled to refuse to accept any instruction that would do so. In our absolute discretion we may permit your alburaq Islamic account to be overdrawn including but not limited to delayed posting of debits, fees, and charges. If your alburaq Islamic account is overdrawn, we shall recover fees on the overdrawn amount. Unless a separate overdraft contract has been concluded with us, the fees



applicable to the overdrawn amount as stated in the *"Schedule of fees and services"* will apply. Fees charged for overdrafts in your alburaq Islamic account are payable immediately on demand.

8. No profit

Credit balances under alburaq savings accounts accrue no profit.

9. Blocking of your alburaq Islamic account and debit card

If we have a reasonable suspicion that an unauthorised use of your alburaq Islamic account or debit card has occurred, we will block or limit access to the alburaq Islamic account or the debit card. We may inform you of such change via e-mail or SMS. We shall remove the block or the limitation if the reasons for blocking no longer exist.

10. Managing your debit card

You can freeze and unfreeze your debit card using the ila App. You can also report your debit card as lost or stolen using the ila App, which will result in permanent deactivation of your card. We will send you a new debit card at your request. You can also call the ila Customer Contact Centre on +973 17 123 456 and, upon successful authentication, request one of our employees to block your debit card.

Card replacement fees listed in the *"Schedule of fees and charges"* will be recovered from your account.

11. Linking your debit card to your alburaq Islamic account

Your debit card is issued on the local currency alburaq Islamic account by default. Your debit card can be linked only to an alburaq Islamic account as permitted by us. You can choose to link your debit card to a number of foreign currency alburaq Islamic accounts as permitted by us from time to time. You can also unlink a foreign currency alburaq Islamic account from your debit card and link a new foreign currency alburaq Islamic account to the debit card within the limits set by us.

12. Using your debit card

We will debit your alburaq Islamic account for any purchases, cash withdrawals or transfers made through and as a result of the usage of your card along with associated fees and charges. By accepting these terms and conditions, you agree that you are always fully liable for all transactions executed by your card whether such transactions were processed with your knowledge and or authorisation or not.

If you have any objections concerning the correctness or completeness of an account statement, let us know within 30 days from the date of such statement.



We will investigate and seek to resolve the matter to your satisfaction. Otherwise, you accept our record for these transactions as being final and binding for all purposes and waive any right to contest or dispute the correctness of such records.

If your alburaq Islamic account is overdrawn by the use of your card, you undertake to settle, the overdrawn balance including any penalty or fees immediately upon our request. You also authorise us (without us being bound to do so) to cover any overdrawn balance by debiting any of your alburaq Islamic accounts with us.

13. Transactions using debit card on a linked account

If your debit card is linked to a foreign currency alburaq Islamic account and if you use your debit card for a transaction in that alburaq Islamic account currency, you must have sufficient balance in that alburaq Islamic account to cover the transaction. In case the balance in the linked alburaq Islamic account is insufficient to cover the transaction using the debit card, such transaction will be declined even if you maintain sufficient balance in another alburaq Islamic account denominated in a different currency. If your debit card is not linked to a foreign currency alburaq Islamic account, debit card transaction in that currency will be debited to your local currency alburaq Islamic account provided it has a sufficient balance to cover the transaction.

Credit balances maintained in alburaq Islamic accounts not linked to the debit card will not be used to cover debit card transactions.

14. Automatic Billing Updater

When your debit card is replaced with a new one or renewed, we urge you to contact service providers or merchants with whom you have saved billing information or subscriptions, to re-register the standing instructions or direct debit with your new debit card information. This will ensure continuity of your service. ila will not be liable for any loss or damages incurred by you in connection with your failure to complete such an update.

Your ila debit card details may be automatically updated with some service providers or merchants, but we nonetheless urge you to contact them independently and/or verify that your new card details have been updated to avoid any loss to service.

15. Electronic funds transfer payments

You can initiate a request for electronic funds transfer ("EFT") from the ila App. We will execute EFT transactions in Bahraini dinar only, even if you use a foreign currency alburaq Islamic account for the purpose of payment.

Before confirming the payments, you have the responsibility to ensure that the



recipient's International Bank Account Number ("IBAN") or the mobile number linked to the bank account for transfers within Bahrain and other details of the beneficiary are correctly provided. We shall not be liable for any loss because of incorrect, incomplete, or erroneous information provided.

You acknowledge that the credit will be provided solely on the basis of the IBAN or mobile number, where applicable, of the beneficiary, and the beneficiary's name or other particulars may not be relied upon.

By authorising the transaction, you accept all responsibility and authorise us to debit your alburaq Islamic account with the charges and value added tax (VAT) applicable on such transactions.

Where the limits for external transfers are set by a third party, we will implement such limits and will not be held responsible for failure of any of your transactions which exceed the applicable limits.

You understand that we will not be liable for any loss or damage that may arise as a result of or in connection with delay in transmission or non-delivery of an EFT or any mistake, omission, or error in transmission or delivery thereof or in deciphering the message for any cause whatsoever or the misinterpretation or the action of the destination bank or any act beyond our reasonable control.

16. Funds transfers

You can initiate a funds transfer request from the ila App. You must ensure that the information, particularly the unique bank account reference such as the International Bank Account Number ("IBAN") or account number and Bank Identifier Code ("BIC") and the currency, provided are complete and correct.

You hereby expressly consent, by way of your authorisation of the funds transfer request, to the retrieval, processing, transmission, and storing of your personal data which are necessary for the execution of the transfer request.

We may not be able to process transactions involving foreign currency if these are received by us after business hours or if it is not a banking business day in Bahrain. We will process such requests the following banking business day. In such cases the exchange rate applicable at the time of processing may be different from the rate indicated previously.

Because funds transfer requests are initiated by you using the ila App, we will not be able to accept a request for amendment of the request. You may request for cancelling a request for transfer or payment before its execution. We will consider such requests only on a best efforts basis.



International transfers may involve additional fees (correspondent bank charges) which may not be known and recovered at the time of remittance. In such cases, we will recover such charges by debit to any of your accounts with us, even if it results in an overdraft in such account, as and when we receive advice of the charge. Such overdrafts, if any, will carry fees and penalties applicable to unauthorised overdraft as set forth in the "*Schedule of fees and charges*".

17. QR payments

If you use our merchant payment services via scanning a QR Code or other technology (including but not limited to contactless payments, Apple Pay or BenefitPay and whether confirmed using the card PIN or facial recognition technology or otherwise), such payments will be charged to your alburaq Islamic account. Some of the merchant promotional offers, cash back, or any other incentives may be managed and administered by a third party.

18. Using a third party provider ("TPP")

These terms will apply if you use a third party provider (a "TPP"). On the basis of your consent, we will grant the TPP access to your alburaq Islamic account and related information and you will be able to make the same payments through the TPP that would be able to make if you were dealing with us using our ila App. Account and related information will include details about who you are making payments to and receiving payments from. This may contain some personal information, for example the name and details of the beneficiary. You warrant that the provision of any such data to ila and ila's provision of such data to any TPP for the purposes outlined in these terms complies with any applicable privacy laws.

Checking that the TPP is authorised and licensed by the Central Bank of Bahrain is your responsibility. If you give your security details to an unauthorised third party, ila will consider that you are authorising us to give access to information about your accounts and you will be solely responsible for any payments or other transactions made as a result.

We may refuse to allow a TPP to access your account if we have enough reason to believe that the TPP is unauthorised or acting fraudulently. If we are made aware that an unauthorised third party is using your security details, we will block access to your accounts. If we block your account, we will inform you if it does not compromise our reasonable security measures or it is unlawful to do so.

If you think a payment made through a TPP was unauthorised or incorrect you must call us as soon as you can.

19. Right of lien and set-off



We have the right of lien and set-off on all asset and properties of whatever nature (whether cash, stocks, shares, bills, precious metals or otherwise whatsoever) deposited or held by us in your name and shall hold the same as security for payment of any amounts due from you (whether by way of principal, fees, commission, charges or otherwise whatsoever and whether in such obligations shall be fluctuating balance or otherwise) without prejudice to us and the same shall not be affected by any other security held by us for such obligations.

20. Account closing

You may at any time notify ila of your intention to close your ila accounts and terminate the use of all ila cards by giving notice in writing. The accounts shall be closed after receipt of full payment of all charges and other liabilities due under and related to the account.

If your ila account is closed prior to the payment in full of total amounts due, the entire outstanding balance of amount due shall immediately become due and payable by you, and ila shall have the right to demand the immediate payment thereof at its discretion.

21. Compliance with Shari'a

21.1 *Shari'a principles*

ila represents and warrants to you that the Shari'a Board of its affiliate ABC Islamic Bank (E.C.) has opined that that the provisions of these Alburaq Islamic account terms do not contravene the principles of Shari'a.

21.2 *Independent satisfaction*

You represent and warrant to ila that insofar as you are required, for any reason, to enter into transactions, agreements, and arrangements which comply or are consistent with the principles of Shari'a:

- (a) you have agreed to these alburaq Islamic account terms after having reviewed them for the purpose of their compliance with the principles of Shari'a and, to the extent you have considered this necessary, taken independent advice from a Shari'a adviser;
- (b) you are satisfied that the provisions of these alburaq Islamic account terms do not contravene the principles of Shari'a;
- (c) you have made your own investigation into and satisfied yourself as to the Shari'a compliance of these alburaq Islamic account terms;



- (d) all necessary action to confirm that these alburaq Islamic account terms are Shari'a compliant has been taken; and
- (e) you confirm that you do not have any objections, nor will you raise any objections as to matters of Shari'a compliance in respect of, or otherwise in relation to any of the provisions of these alburaq Islamic account terms.

21.3 Shari'a Board

Notwithstanding anything to the contrary in any other ila terms and conditions, the alburaq Islamic account may not be used for purposes that not complaint with Shari'a as determined by the Shari'a Board of ila's affiliate ABC Islamic Bank (E.C.).