



## Terms & Conditions

For the purpose of these Terms & Conditions, the word "Bank" shall refer to United Bank Limited- Islamic Banking Division (UBL Ameen), its successors-in-interest and assigns.

- ✓ Ameen Certificates of Islamic investment ("ACOLIs") are governed under the rules of Mudarabah.
- ✓ Mudarabah is a partnership in profit whereby one party provides capital (Rabb-ul-Maal) that is the policy holder in the case & other party provides services (Mudarib) that is the Bank in the case.
- ✓ The ACOII holders will not participate in management or in decision-making concerning investment of funds. All deposits shall be invested by the Bank strictly in accordance with principles of Shariah as approved by RSBM/ Shariah Board.
- ✓ ACOII will be issued through link account of either Islamic Banking current or saving account. The title, operating instructions and all other details of ACOII will be the same as per the particulars of the link account.
- ✓ ACOIIs are not negotiable and cannot be transferred by endorsement or otherwise. The actual profit earned, will be paid on maturity or periodically as instructed by the ACOII Holder in writing on the prescribed application form and as per the Profit and Loss Distribution and Management policy applicable for ACOII.
- ✓ ACOIIs are accepted on the basis of Mudarabah and deemed to be purchase of investment share by the depositor in the investment pool and withdrawal / encashment / premature encashment is deemed to be sale of investment share of the Mudarabah pool to other pool member (s).
- ✓ The Bank may, in order to maintain a certain level of return on investment, provide for a Profit Equalization Reserve (PER), an amount from the distributable profit, before allocating Mudarib's share.
- ✓ The Bank may, in order to mitigate risk of future losses to investment depositors, provide for an Investment Risk Reserve (IRR), an amount from the distributable profit, after allocating Mudarib's share.
- ✓ The deposit will be invested in a Mudarabah pool with other depositors' funds. The Bank may invest its own funds in the pool at its sole discretion. As a result of joint funds used to create a pool; the relationship, between the depositors shall be that of Shareek, as Shirkat-ul-Aqd.
- ✓ After month-end accounts are finalized, the profit will be shared after deduction of all direct costs to the pool between the Bank and the ACOII Holder according to weightages and profit Sharing Ratio declared before beginning of each calendar month of the respective pool.
- ✓ The weightages assigned to each category or tier shall be used to calculate profit for the respective account. These weightages and PSR shall be made available three days before the commencement of the month, at UBL Ameen branches, authorized Islamic Banking Windows in selected UBL branches by whatever name identified, UBL Ameen Website and Notice board in line with SBP guidelines.
- ✓ In the event of losses, the ACOII holder will bear the same provided there is no negligence on the part of the Bank. The profit or loss shall be declared by the Bank as stipulated herein and the Bank's decision is final and binding on the ACOII holders after due approval of RSBM / Shariah Board.
- ✓ The profit calculation and disbursement would be performed according to the Shariah board approved Profit & Loss Distribution And Pool Management Policy as issued by UBL Ameen.
- ✓ These Terms & Conditions and the Profit & Loss Distribution and Pool Management Policy may change from time to time after due approvals including Shariah board approval. Notice of the change prior to its implementation will be posted at UBL Ameen branches, authorized Islamic Banking Windows in selected UBL branches by whatever name identified and UBL Ameen Website in compliance with SBP instructions. The change will be deemed as acceptable by the ACOII Holder/Depositor unless the latter discontinues the account / deposit, however, the change will apply on the relationship until discontinued.
- ✓ The participation of the invested amounts in the profit shall start from the business day the deposited funds are realized and continue until the day prior to maturity or encashment.
- ✓ In case a deposit matures on a public or bank holiday then the Bank shall pay the deposit and profit or adjust the loss, if any, thereon the next working day when the Bank is open for ordinary banking business.
- ✓ The profit on ACOIIs shall be disbursed to the ACOII holder through his/her UBL Ameen checking account from where it was invested.

✓ The Bank may at its sole and unfettered discretion give additional profit as Hiba (gift) to the pool of Depositors/this certificate holder from the Mudarib Share in line with SBP guidelines.

✓ ACOII on date of maturity unless renewed, shall be transferred to the checking account from where it was invested.

**For pre-mature encashment of:**

- In case of ACOII Profit on maturity and tenure less than one month: profit will be paid with respect to the applicable weightages and rates of the savings deposit i.e. Ameen Mukammal Saving Account. ACOII Profit on maturity and tenure greater than one month, profit will be paid with respect to the applicable weightages and rate of the lower tenure in the same category applicable to the actual period of deposit.
- ACOII profit on monthly/half yearly basis and premature in less than one month: profit will be paid with respect to the applicable weightages and rate of saving deposit i.e. Ameen Mukammal Saving Account after adjusting the amount that has already paid from the face-value of the investment amount.
- ACOII profit on monthly/half yearly basis and premature after one year but before maturity will be paid with respect to the applicable weightages and rate of the lower tenure in that category applicable to the actual period of deposit; amount will be adjusted from the face value if needed. The deposit rates and weightages applied shall be the same as declared by the Bank from time to time.
- ✓ Zakat shall be deducted as per 1st Schedule of Zakat and Ushr Ordinance 1980:
  - a. ACOIIs paying profit at Maturity
    - i. The Bank shall deduct 2.5% of the payable amount (Investment + Profit) as on the valuation date (commencement of 1st Ramadan) at the time of maturity / encashment.
  - b. ACOIIs paying profit Periodically (Monthly, Quarterly, Half-yearly or Annually)
    - i. The Bank shall deduct 2.5% of the payable amount (Investment + Profit) as on the valuation date (Commencement of the 1st Ramadan) at the time of maturity / encashment.
  - c. Exemption from compulsory deduction of Zakat will be accepted on submission of declaration on prescribed format and will be registered with the Bank at least one lunar month prior to the valuation date as per Zakat rules, applicable from time to time.
- ✓ The ACOII holders must keep the Certificate safe for future reference and correspondence. It is not an instrument or a deposit receipt and is only issued for the ACOII Holder's record.
- ✓ The Bank reserves the right of refusing to accept investment from any depositor in the Mudarabah pool without assigning any reason. In this regard the decision of the Bank shall be final.
- ✓ All applicable government taxes and levies shall be recovered as per laws and related directives / circulars.
- ✓ All directives / circulars / guidelines / manuals issued by the Regulatory Authorities will be applicable from time to time.
- ✓ The profit will be credited into linked account.

I / We authorize the Bank to invest the deposit in any Shariah Compliant manner it likes and profit / loss as determined by the Bank shall be acceptable to me / us. I / We hereby declare that I / we have read understood and received a copy of these "Terms & Conditions" with the Bank and hereby covenant and agree to observe and be bound by the "Terms & Conditions" and any changes, supplements or modifications thereto that may be made by the Bank and communicated through its branches and official website from time to time.

Applicant's Name (I)	Applicant's Name (II)
<div style="background-color: #e0f2f1; padding: 10px; border: 1px solid #ccc;"> <p><b>Applicant's Signature / Thumb Impression (I)</b> <b>Company's / Organization's Stamp</b></p> </div>	<div style="background-color: #e0f2f1; padding: 10px; border: 1px solid #ccc;"> <p><b>Applicant's Signature / Thumb Impression (II)</b> <b>Company's / Organization's Stamp</b></p> </div>