



BML
ISLAMIC BANKING
اسلامک بینکنگ

بنک مکرمہ
Bank Makramah Ltd.

ISLAMIC BANKING
TERMS AND CONDITIONS
**ACCOUNT
AND SERVICES**

Formerly known as Summit Bank Limited

www.bankmakramah.com, UAN: 021-111-124-365

Terms and Conditions for Account and Services

(I) GENERAL TERMS

1. Defined Terms

1.1 Unless the context shall otherwise require, the terms used herein shall have the following meanings:

"Account" shall mean any Rupee or foreign currency bank account(s) maintained by the Customer with a branch of the Bank. Any reference to an Account shall mean and include current account(s) which shall be based on the principles of Gard and saving account(s) which shall be based on the principles of Mudarabah. The current account(s) and saving account(s) shall also be governed by their respective terms and conditions.

"Account Opening Form" shall mean the account opening form provided by the Bank to the Customer in which the Customer has to provide the information required by the Bank and return it to the Bank after signing, prior to the Bank opening an Account for and/or providing the Services to the Customer.

"Alerts" means the customized messages regarding Account information and other Bank related information, sent either by short messaging service ("SMS") over the Customer's mobile phone or the text sent via email, fax or any other mode of communication.

"ATMs" shall mean the Automated Teller Machines installed and operated by the Bank and/or participating bank(s) at various locations in Pakistan in the MNet/Link network and/or abroad through which the Customer can avail the ATM Service.

"ATM Service" shall mean all the authorized banking services offered by the Bank which can be availed by the Customer through the ATMs.

"Bank" shall mean all or any of the dedicated Islamic Banking branches of Bank Makramah Limited, including Islamic Banking windows/kiosks at conventional banking branches of Bank Makramah Limited.

"Business" shall have the meaning as ascribed to such term in clause 6.1 hereunder.

"Business Day" shall mean a day when the relevant branch of the Bank is open to conduct banking business.

"Card" shall mean the card provided by the Bank to the Customer pertaining to an Account that enables the Customer to carry out Card Transactions.

"Cardholder" shall mean a Customer of the Bank to whom the Card has been issued.

"Card Transaction" shall mean any cash withdrawal or fund transfer/IBFT from an ATM or payment made by using the Card at any Merchant or in any other authorized manner for debit to the Account, including debit of any charges or fees of the Bank associated with such transactions or any other use of the Card the Bank may entitle to a Cardholder from time to time.

"CDR" shall mean the Call Deposit Receipt facility provided by the Bank.

"Contact Centre Services" means the facilities available to the Customer through the Contact Centre which enable the Customer to obtain information and for to carry out certain banking transactions/services pertaining to the Account(s).

"Customer" shall mean and include a person, firm, institution, company or any other entity who maintains one or more Account(s) with the Bank.

"GPRS/WAP Channel" means the access to internet provided by MSPs on GPRS/WAP enabled mobile phones.

"IBFT" shall refer to Inter Bank Fund Transfer, which is a service which enables Customers to make inter-bank payments to customers of participating member banks of the IBFT facility.

"Instructions" shall mean the instructions given or purported to be given by the Customer to the Bank via written communication, Internet Banking Services, Mobile Banking Services or via an ATM machine, issued or purported to have been issued by the Customer to the Bank, and the same shall be irrevocable and binding on the Customer upon receipt by the Bank.

"Internet Banking Services" means the facilities available to the Customer through the Site which enables the Customer to obtain information and/or to carry out Transactions and avail various Services in relation to the Accounts.

"Internet Password/PIN" shall mean the confidential code chosen by the Customer according to the directions on the Site which enables the Customer to perform Internet Banking.

"IRR" means the Investment Rate Reserve as described in the IBD Circular No. 3 of 2012 dated 19th November 2012 of the State Bank of Pakistan titled "Instructions for Profit and Loss Distribution and Pool Management. for Islamic Banking Institutions".

"IVR" means Interactive Voice Response and shall refer to the automated services available through the Bank's Contact Centre Services.

"Merchant" shall mean any retail or service outlet(s) of merchant(s) as approved from time to time.

"Mobile Banking Services" means the Bank's mobile phone banking services as provided by the Bank which enable Customers to access their Account details as well as make select Transactions through one or more MSP Channels, subject to expiry of Transactions per session offered by the Bank from time to time using a mobile phone.

"MSP" means any Mobile Service Provider through whom the Customer or the Bank receives the mobile services as notified by the Bank.

"MSP Channels" are defined as any one or more of the data communication channels offered by a MSP that can be used to access the Mobile Banking Service.

"Mudarabah" shall mean a form of profit sharing partnership between the Customer and the Bank wherein the Customer provides the funds in the form of a deposit in the Account and such funds are managed and invested by the Bank in Shariah compliant financing, as approved by the Shariah Supervisory Board/Shariah Advisor.

"Shirkat al-aqd" (contractual partnership) means an agreement between two or more parties to combine their assets, labour or liabilities for a common business objective with the sole purpose to share profits and losses arising

from such business enterprise, in accordance with the principles of Shariah.

"Pakistan" shall mean the Islamic Republic of Pakistan.

"PER" means the Profit Equalization Reserve as described in the IBD Circular No. 3 of 2012 dated 19th November 2012 of the State Bank of Pakistan titled "Instructions for Profit and Loss Distribution and Pool Management for Islamic Banking Institutions"

"PIN" or **"Personal Identification Number"** shall mean the confidential code issued by the Bank to the Cardholder, or chosen by the Cardholder from time to time for use with the Card which enables the Cardholder to perform Card Transactions, either through the ATMs as well as to make purchases without signing a sales receipt at Merchants that have POS Terminals equipped with PIN pads.

"POS Terminal" shall mean the electronic device known as a point of sale terminal installed at Merchants for the purposes of carrying out a Card Transaction from the relevant Account(s).

"Qard" means a deposit made by the Customer in the form of a virtuous loan to the Bank and on which no profit is payable. Deposits made by the Customer in current Account(s) shall be on the basis of Qard and the Bank is only obligated to repay the deposit amount to the Customer on demand.

"Rupees" shall mean the lawful currency of the Islamic Republic of Pakistan.

"SBP" shall mean the State Bank of Pakistan.

"Services" shall mean services that the Bank may, at its discretion, offer from time to time in relation to an Account.

"Security Code" shall mean any code provided to the Customer by the Bank to enable the Customer to use a specified Mobile Banking Services.

"Service Provider(s)" means and includes MSPs, organizations or individuals whose services the Bank uses in relation to Mobile Banking Services in any capacity whatsoever.

"Sharjah Advisor" means the Shariah Advisor appointed by the Bank.

"Shariah Supervisory Board" means Shariah Supervisory Board of the Bank.

"Site" means the Bank's website at:
"www.bankmakramah.com" or as may be modified by the Bank from time to time.

"SMS Channel" means Short Messaging Services offered by MSPs on mobile phones.

"Tabarru" means a contract to provide other participants any good or service without compensation in return.

"Terms and Conditions" shall mean these Terms and Conditions for Accounts and Services of the Bank, as amended from time to time.

"TPIN" or **"Telephone Personal Identification Number"** shall mean the confidential code issued by the Bank to the Customer, or chosen by the Customer from time to time which enables the Customer to avail the Contact Centre Services.

"Traffic" means the network traffic on the telecommunications infrastructure in Pakistan which includes but is not limited to SMS TRAFFIC, GPRS/WAP traffic and also includes at times, the load on a

communication's device/mobile phone or system, data transmitted over a network or overall network usage at a given moment. However, it can also refer to specific transactions, messages, records or users in any kind of data or telephone network.

"Transactions" shall mean any transactions which may be carried out by a Customer pertaining to the Account and/or the Services provided in relation thereto.

"USSD Channel" means Unstructured Supplementary Service Data offered by MSPs on mobile phones.

2. Opening and Operation of Accounts

2.1 A Customer desiring to open an Account with the Bank shall submit a duly completed Account Opening Form for opening an Account. The Customer shall provide such information and documents, as may be required by the Bank from time to time to open and maintain operation of the Account.

2.2 If for any reason an Account is opened with the Bank on the basis of incomplete documents and/or information being provided to the Bank, the Bank may in its discretion withhold operation of the Account till such time that the missing documents and/or information have been provided to the satisfaction of the Bank. In case of non-compliance with these requirements, the Bank shall have the option to close such Account, with prior notice to the Customer. In case the information or documents related to the Account are subsequently discovered by the Bank to be forged or false, the Bank may at its discretion close the Account of the Customer. In such event the Bank disclaims any liability for any loss suffered by the Customer as a result of closure of the Account.

2.3 The obligation of the Bank in relation to the Account and/or Customer is enforceable solely and exclusively against the specific Islamic Banking Branch of the Bank where the account is held and the IBD operations of the Bank in Pakistan only. Neither the head office, nor any other branch, affiliate or subsidiary of the Bank anywhere in or outside Pakistan will have any liability or obligation in relation thereto.

2.4 The Bank reserves the right to refuse to open an Account without assigning any reason whatsoever.

2.5 Each Account shall be allotted a distinctive number, which is to be quoted in all correspondence with the Bank relating to the Account.

2.6 The Bank may at any time, without any liability and without giving any reasons to the Customer, refuse to execute any Instructions where the Bank suspects that any fraud or illegality is involved, as per SBP's KYC guidelines and other relevant regulations and/or directives.

2.7 The Bank shall make endeavors to preserve the secrecy of the Account of the Customer. Nevertheless, the Customer acknowledges that the Bank is subject to the anti-money laundering laws and regulations of Pakistan and the internal policies of the Bank. The Customer agrees to provide any information requested by the Bank for the purpose of complying with any such laws, regulations and policies in respect of the Account, Transactions and Services and further authorizes the Bank to release any information pertaining to the Account, the Customer, the Services or any Transactions in relation thereto to any investigative/government agencies in Pakistan and/or abroad and/or as may be required under any law or to such person as empowered by the prevailing laws and regulations the Bank feels that such disclosure is necessary or pursuant

- to a Court order and/or to otherwise protect the interests of the Bank and/or of its employees.
- 2.8 The Bank is authorized by the Customer to transmit or give any information pertaining to the Customer and/or the Account(s) and/or the Transactions relating to the Account(s) to the Bank's head office, subsidiaries, affiliates, authorized contractors, service providers, agents or other Parties (collectively "Third Parties") wherever located, whether within or outside Pakistan. The Bank shall at no time be liable for any damage or liability arising from the act of any Third Parties.
- 2.9 The acceptance of the offer letter issued by the Bank to the Customer for allowing Islamic finance facility(ies) on either funded or non-funded basis, will also be treated as request for opening of parallel/corresponding separate Islamic finance account(s) for each specified facility(ies).
- 3. Card Conditions**
- 3.1 The Customer may use the Card, subject to the following:
- as an ATM card for use at the ATMs to avail ATM Services within Pakistan, or globally on such ATMs which are affiliated with the relevant global network(s) of the Bank;
 - as a debit card for the payment of goods and services within Pakistan at participating Merchants; and
 - for additional Services that the Bank may provide to Cardholders from time to time.
- 3.2 For the issuance of the Card and the authorization thereof, as well as the processing of Card Transactions conducted with the Card, the Bank may charge the Customer relevant fees, which are to be made known to the Cardholder in an appropriate form. The Bank is authorized by the Customer and is entitled to debit the said fees from the relevant Account or any other Account of the Customer in case the relevant Account does not have sufficient balance.
- 3.3 The Cardholder shall not disclose in any circumstances the PIN to any person and shall take every precaution to prevent disclosure of the PIN to any person. The PIN is to be kept confidential and must not be provided by the Cardholder to any person. In particular, the PIN must not be noted on the Card nor stored in any other manner including in an altered form, together with the Card.
- 3.4 The Card shall only be used by the Cardholder. The Cardholder is not allowed to give his/her Card to third parties nor make it accessible to any such third parties.
- 3.5 The Card can only be used if sufficient balance or an approved limit exists in the relevant Account.
- 3.6 Each person, who through the use of the Card at an ATM or POS Terminal, can withdraw cash or make payments, will be considered as an authorized Cardholder. This also applies if this person is not actually a Cardholder and the Bank is authorized to accept such Card Transactions by the aforesaid use and debit the relevant Account(s) in respect of such Card Transactions. The risk arising from the use and the misuse of the Card is thus solely assumed by the Cardholder directly and Bank will not be liable in respect of the same.
- 3.7 The Cardholder has no claim to any compensation from the Bank if use of the Card is not possible due to technical malfunctions and operations failures or any other reasons whatsoever and the Bank excludes all liabilities for all losses or damages suffered by the Customer for not being able to use the Card.
- 3.8 The Bank is authorized to block Card Transactions or any Services linked with the Card at any time, without prior notice to the Cardholder and without any reason thereof.
- 3.9 The Cardholder may use the Card to obtain the Services described in these Terms and Conditions and such other Services as the Bank may provide from time to time. All such Services will be subject to these Terms and Conditions as amended from time to time.
- 3.10 The Card is the property of the Bank and should not be used by any person other than the Cardholder.
- 3.11 In the event that there are insufficient funds available in the relevant Account to pay for any Card Transaction, including any fees, charges or other payments due to the Bank, the Bank may in its absolute discretion transfer sufficient funds from any other Account maintained by the Cardholder with the Bank to the relevant Account to recover such fees or other charges or payments due to the Bank.
- 3.12 The Bank shall not be liable in any event for any loss or damage resulting from the refusal of any Merchant or other bank or the Bank or the ATMs or POS Terminals to accept the use of the Card in connection with any Card Transaction or retention of the Card by any ATM.
- 3.13 A Card Transaction cannot be cancelled by the Cardholder after it has been completed.
- 3.14 The Bank will normally debit the amount of any Card Transaction to the relevant Account as soon as the Bank receives notification from the Merchant in connection therewith. The Bank will not be liable for any loss resulting from any delay therein. The Cardholder agrees to reimburse the Bank for any amounts that are due from the Cardholder for Card Transactions authorized by him/her even after closing of the relevant Account.
- 3.15 If a Merchant makes a refund for a Card Transaction, the Bank will credit the relevant Account when it receives the Merchant's proper instructions and the funds in respect of such refund. The Bank will not be responsible or liable in any manner for any delay in receiving such instructions and refunds.
- 3.16 The Cardholder will be liable for all losses or costs incurred by the Bank as a result of any breach by the Cardholder of the Terms and Conditions contained herein and shall reimburse to the Bank with all such costs on the Bank's first demand.
- 3.17 In the event of the death of the Cardholder, all Card Transactions already effected will be debited from the relevant Account.
- 3.18 In the event of the death of the Cardholder, all Card Transactions already effected will be debited from the relevant Account.
- 3.19 The Bank shall not be liable to the Cardholder for any loss suffered as a result of the Bank being prevented from or delayed in providing any Services to the Cardholder due to strikes, act of war, failure of power supplies or equipment or causes beyond the Bank's control.
- 3.20 The Bank is not liable in any way for the quality, quantity, sufficiency, acceptability of the goods and/or services purchased by the use of the Card by the Cardholder or for any surcharge (additional amount) charged by a Merchant, or any other breach or non-performance of any Card Transaction by a Merchant or for any act of

the Merchant. In the event of a dispute between the Cardholder and the relevant Merchant anchor the Bank or any other person, the Cardholder's liability to the Bank shall not, in any way, be effected or reduced or suspended by such dispute or any counter claim which the Cardholder may have against such Merchant or other person.

- 3.21 The Bank is not liable to the Cardholder for any loss or damage of whatsoever nature due to or arising from the disruption or failure or defect in any ATM and/or POS Terminal or other machine, or data communication or transmission link, or due to or from any dispute or any other thing or cause beyond the control of the Bank.
- 3.22 In case of the use of the Card for the purpose of availing facilities to be provided by the Bank from time to time subject to the Terms and Conditions contained herein, all the Terms and Conditions applicable to such facilities will also become applicable to the Card in addition to the Terms and Conditions contained herein.
- 3.23 The Cardholder must notify the Bank immediately should the Card be lost or stolen or should the PIN be disclosed or if the Cardholder suspects that the Card has been used in a manner not authorized in the Terms and Conditions. The Bank shall take reasonable steps to deactivate the Card upon it being reported stolen or lost. However, the Bank will not assume liability for any misuse of the Card until such time as it is deactivated.
- 3.24 The Cardholder shall at no time use or attempt to use the Card for withdrawal, transfer or debit unless there are sufficient funds in the Cardholder's Account, designated in the application of the issuance of the Card, and to ensure that no withdrawal/transfer/debit exceeds the per day/per transaction balance available in the Account of the Cardholder, as applicable for withdrawal/transfer limits which may be prescribed by the Bank from time to time.
- 3.25 The Bank may suspend or withdraw the Card facilities offered to the Cardholder and cancel the Card without assigning any reason thereof and without affecting the Cardholder's liabilities and obligations to the Bank. The Cardholder further accepts that no prior notice will be required to be given by the Bank for such suspension/ withdrawal/cancellation and/or retention of the Card by the ATM and refusal by the ATM to honour instructions through the Card shall be construed as a withdrawal/ cancellation of the Card, unless confirmed otherwise by the Cardholder from the Bank.
- 3.26 The Cardholder accepts that all Card Transactions are binding jointly and severally on joint Account holders who can operate the Account individually.
- 3.27 Card Services shall not be available in respect of joint Accounts that require two or more signatures to jointly give instructions relating to the Account. The Services will be available in respect of a joint Account which has two or more individuals or authorized signatories and any one individual or authorized signatory thereof can give instructions relating to that Account. In the latter situation the Bank will issue the Card to each of the authorized signatories of the joint Account. In case of any changes in the Account operating instructions whereby operations of the Account require more than one authorized signatory, the Bank shall cancel the Card(s) immediately without informing the Cardholders.
- 3.28 In case a Cardholder uses the Card at an ATM and the Cardholder's Account is debited and the cash is not

distributed or disbursed by the ATM, the Cardholder will submit a claim for the amount of the respective Card Transaction with the Bank and the Bank will reverse the claimed amount only after verification of such debited amount for the subject Card Transaction from the ATM and the respective bank whose ATM was used.

4. Joint Account

- 4.1 If the Account is opened in the names of two (2) or more persons, the balance to the credit thereof at any time shall belong to the Customers jointly. Such persons shall be jointly and severally liable for all liabilities incurred in respect of the Account and/or Services provided by the Bank in relation thereto.
- 4.2 Where an Account is operated with a single signing authority, oral instructions from any one of the Customers will be accepted at the Bank's sole discretion and will be binding on the other Customer. Oral instructions will only be accepted via Bank's Contact Centre Services as per the applicable Terms and Conditions for such services. If such Account is operated with joint signing authority, oral instructions will not be accepted from any one Customer, unless instructions are received in writing from all joint Account holders.
- 4.3 The Bank is authorized to pay or deliver to, or to the order of the survivor(s) of the persons in whose name the Account has been opened or the legal personal representatives of such survivor, any monies, securities or properties standing to the credit of the joint Account or held by the Bank for either or more of the survivors.
- 4.4 That in the case of a joint Account, the following further provisions shall apply:
 - i) Each of the signatories shall be deemed to have authorised and empowered the other (a) to endorse and deposit for credit to such Account, any and all cheques, drafts, notes or other instruments or the payment of money, payable or purporting to belong to either or both of the Customers and should any such instrument(s) be received by the Bank without being so endorsed, the Bank shall be authorised in the absence of any instruction to the contrary, to endorse the same on the Customer's behalf and deposit it to the credit of such Account, and (b) to issue to any of the Customer's order(s) that may be drawn hereunder against such Account.
 - ii) Whether or not the death of any or all of the Customers shall have intervened, the Bank may continue to act from time to time in reliance upon any signing authority conveyed to the Bank until the Bank shall have received notice in writing from or on behalf of any of them that it has been terminated or revoked by operation of law or otherwise. Also, in the event of the death of any of the Customers, the amount of deposit to the credit of such joint Account at the time of the death in question shall belong to the survivors and may be disposed of by the Bank as such.
- 4.5 If prior to acting on Instructions received from one signatory where the joint Account is operated by a single authority, the Bank receives contradictory Instructions from another signatory, the Bank may, in its absolute discretion, only act on the Instructions of all signatories notwithstanding that any relevant existing mandate or Instructions specify otherwise.
- 4.6 In the event that the Bank receives conflicting instructions from the signatories of a joint Account, the Bank shall be entitled not to act on such instructions, requiring that

all future instructions be signed jointly by all signatories. The Bank will also be within its right to suspend the operation of the Account without notice to the Customer(s).

5. Partnership Account

5.1 If any partner in the partnership firm ("Firm") for which the Account has been opened, ceases to be a member of the Firm by death or otherwise, the Bank is authorised, until it receives notice in writing to the contrary from all the partners or anyone of the partners or the legal representatives of trustees of any of the partners of the Firm, to treat the surviving or continuing partner(s) for the time being as having full powers to carry on the business of the Firm and to deal with its assets as freely as if there had been no change in or dissolution of the Firm.

6. Relationship with customer

6.1 The relationship between the Bank and Customer with respect to all profit bearing deposits i.e Saving Accounts, fixed term deposit certificate of islamic investment (COII) (local and foreign currency), shall be based on the principles of Mudarabah, where the Rab-ul-Maal i.e. the investor/fund provider, is the Customer and the Bank is the Mudarib i.e. the working partner providing management of the funds. The Bank as the Mudarib may invest or disinvest, at its sole discretion, monies/funds received by it from the Customer in any of the businesses (the "Business") of the Bank as it deems fit with the approval of the Shariah Advisor/Shariah Supervisory Board. The Bank may at its option also participate in the Business as an investor with the Rab-ul-Maal. Additional features in respect of Savings Accounts schemes and COIIs, as may be applicable from time to time, shall be stipulated in product brochures and on the website of the Bank at www.bankmakramah.com

6.2 The investment comes from the Rab-ul-Maal (Customer), whereas, the management of the funds is an exclusive responsibility of Mudarib.

6.3 Funds deposited by the Customer with the Bank under the Customer's current Account(s), are on the basis of Qard and therefore shall be payable by the Bank upon demand. However, the Bank may at its discretion utilize such funds advanced by the Customer in the form of a Qard, as it deems fit.

7. Foreign Currency Deposits

7.1 Each foreign currency deposit is subject to the laws of Pakistan, including the exchange control regulations of Pakistan in force from time to time.

7.2 Foreign currency, current or savings accounts and fixed term deposit certificate of islamic investment (COM can be established in U.S. Dollars, Pound Sterling, Euro, Japanese Yen and such other currency as the Bank shall determine and as allowed by local regulations in force from time to time.

7.3 Each foreign currency transaction will be entered into by the Customer with full awareness that foreign currency transactions could involve foreign exchange risks for which the Bank shall not be held responsible.

7.4 Foreign currency fixed term deposit certificate of islamic investment (COIL) will be automatically renewed for like periods and amount unless withdrawn or notified to the Bank by the Customer(s) in writing, in advance

of the original or any renewed maturity date(s), of its desire to terminate the account or change any of the Terms and Conditions of the account. The Bank, in the case of automatic renewal, will pay profit at the Bank's prevailing rate at the tune of renewal.

7.5 The Bank shall not be required to repay the deposit and any other profit accrued for as long as and to the extent that the Bank cannot repay the deposit due to (i) the failure of the SBP to make the requisite foreign currency available; (ii) an act of war, insurrection or civil strike; (iii) an action by the Government of Pakistan or any other instrumentality of or in Pakistan (whether de jure or de facto) preventing such repayment; or (iv) any event or circumstance beyond the Bank's control.

7.6 The exclusive place of jurisdiction for any claims brought against the Bank is the competent courts in Pakistan.

8. Death or Insolvency of Customer

8.1 In case of the Bank receiving notice of the demise of any individual Customer, the Bank will not be obliged to allow any operation or withdrawal related to any of the Customer's Accounts, except on the production of a valid Succession Certificate from a court of competent jurisdiction, Letter of Administration or Probate or its equivalent. After the production of documentary evidence acceptable to the Bank, the Bank shall permit disposal to or by any person who is designated as legal heir, executor, administrator or other personal representative of the customer or deceased, any trustee or receiver of assets or any purported beneficiary of the assets.

8.2 In the event of insolvency or winding-up of a Customer which is a corporate entity, the Bank will not be obliged to allow any operation or withdrawal related to any of the Customer's Accounts. The Bank shall act in accordance with the terms of the winding-up order as may be issued in respect of such Customer, by a court of competent jurisdiction.

9. Closing of Accounts

9.1 The Bank reserves the right, at its sole discretion (and with or without prior notice to the Customer) to close the Account, which is not being operated in a manner satisfactory to the Bank or for any other reason whatsoever, without disclosing the reason for closure of the concerned Account to the Customer. The Bank also reserves the right to terminate any other type of relationship(s) (e.g. lockers, safe custody, Cards, etc).

9.2 On closure of an Account, any unused cheques and/or Card relating to the Account must be returned forthwith by the Customer to the Bank. Alternatively, it must be confirmed to the satisfaction of the Bank in writing that the unused cheques and/or Card have been destroyed.

9.3 The Bank reserves the right to close any Account, including but not limited to an Account that fails to maintain the required minimum balance, without assigning any reason whatsoever for the closure.

9.4 The Bank shall have discharged its liability with respect to an Account so closed by mailing to the Customer, at his/her last known address, a bank draft/pay order in the currency of such Account, payable to the order of the Customer in the amount of the then credit balance of such Account (less deductions) in respect of the Account of any claim that Bank may have on such funds constituting the credit balance.

9.5 The Bank reserves the right, in exceptional or unusual events, circumstances, Transactions, developments in

relation to the Customer or the Customer's Accounts, at its sole discretion, with or without notice to the Customer, to immediately block or suspend the operations of any of the Customer's Accounts till the resolution of the event or issue to the satisfaction of the Bank, without any liability being incurred by the Bank and for which the Customer is deemed to have authorized the Bank accordingly.

10 Withdrawals from Accounts

- 10.1 Cheques and other payment Instructions are to be signed on behalf of the Customer as per the specimen signature(s) (including under third party mandate) supplied to the Bank and alterations therein are to be authenticated by the Customer.
- 10.2 Illiterate Customers will not be liable for cuttings and alterations on cheques, unless duly authenticated by the Customer.
- 10.3 The Bank will record Instructions from the Customer to stop payment on a cheque. The Bank shall not assume any responsibility for Instructions that have not been properly acted upon, executed or delayed and the payment is made to the beneficiary in good faith. The Bank shall not assume any responsibility for Instructions that are mis-communicated in the opinion of the Bank.
- 10.4 The Customer may not make a withdrawal/transfer of funds via a cheque or the use the ATMs or any authorized Card Transaction, or issue Instructions, which would cause the relevant Account to become overdrawn without the prior written approval of the Bank, The Bank reserves the right to return unpaid cheques or not to comply with any Instruction or carry out any Transaction that may cause the relevant Account to become overdrawn if no prior arrangements have been made by the Customer with the Bank.
- 10.5 The Bank may, from time to time, impose weekly (or other periodic) withdrawal restrictions where the Customer uses an ATM to withdraw funds.
- 10.6 Any and all cash withdrawal(s) in any currency other than Rupees shall be subject to the availability at the time, of sufficient currency notes with the Bank, in such relevant currency.
- 10.7 The Customer will be entitled to receive payments only from the relevant branch of Bank where the Account is maintained, unless certain Transactions/withdrawals are otherwise expressly permitted by the Bank to be availed through other branches in Pakistan of the Bank and subject to such conditions related to Services as the Bank may specify from time to time.
- 10.8 Any withdrawal of a fixed term deposit certificate of islamic investment (COM before maturity shall be at the Bank's sole discretion and the rate of profit applicable for the period of such fixed term deposit certificate of islamic investment (COM shall be in relation to the amount of the Certificate maintained before withdrawal. Any withdrawal shall also be subject to penalties and costs associated with pre-mature encashment/withdrawal as per the policy of the Bank applicable from time to time and as intimated to the Customer at the time of breaking of deposit.

11 Restrictions on Creation of Security over Accounts

- 11.1 The Customer agrees that, without the written consent of the Bank, the amounts deposited or standing to the credit of an Account cannot in any way be assigned, transferred or charged to any third party (other than to

a branch of the Bank) by way of security. The Bank shall not be bound by notice of any assignment or transfer or charge in favour of a third party by the way of security as aforesaid. Provided that the Customer shall have the right to create a lien over or pledge his/her foreign/local currency deposits in the Bank's favour or in favour of any other branch of the Bank to secure any Islamic finance and/or Islamic banking facilities granted by the Bank or such other branch of the Bank to the Customer or to any other person pursuant to the Customer's request.

12. Change of Particulars

- 12.1 The Customer shall notify the Bank immediately in the event of any change in the particulars of the Account(s). Until such change of particulars has been notified in writing to the Bank and acknowledged by the Bank, the Bank shall be entitled to rely on the existing instructions of the Customer.

13. Cheque Books

- 13.1 Withdrawal from any Account shall only be made on cheque forms supplied by the Bank, at the express written request of the Customer.
- 13.2 The Bank will only issue a cheque book to the concerned Customer or such other person, as is duly authorized by the Customer in writing.
- 13.3 The Customer undertakes to keep any cheque books and other monetary instruments issued by the Bank safely and securely at all times. The Customer shall exercise due care and prudence in order to ensure that all cheques, cheque books and monetary instruments issued by the Bank are not stolen, misappropriated or used for any unauthorized purpose. The Bank shall not be liable for any loss or liability that may occur in connection with the Customer's failure to exercise proper care. In the event that cheques are stolen from or lost by any Customer or forged, the Customer shall immediately notify the Bank and issue stop payment instructions to the Bank. Loss of any cheque books should also be immediately notified to the Bank by the Customer. If the Customer has reported the theft or loss, before the presentation of the relevant cheque, the Customer shall not be held liable for any loss or damage resulting from the payment of the relevant cheque.
- 13.4 Cheque Books shall be delivered to the Customer or his authorized representative. If the cheque book is not collected by the Customer(s) or the Customer's authorized representative(s) for ninety (90) days from the date of printing, the Bank shall have the right to destroy the cheque book. In its anticipation the cheque book charges and/or any Government taxes recovered, will not be refunded by the Bank to the Customer. In the event that any cheque lodged for collection with the Bank is delayed or lost, the Bank shall use its best efforts to resolve the matter expeditiously.
- 13.5 Withdrawals from an Account may be made only upon the presentation of cheques, supplied by the Bank, duly signed in accordance with specimen signature(s) and signing authorities registered with the Bank.
- 13.6 Cheques must be drawn so as to prevent additions and alterations after issue. If precautions are not taken by the Customer to prevent forgery or alteration, the Bank will not be responsible for the consequences in respect of the same.
- 13.7 The Bank reserves the right to refuse to supply cheque book(s) or withdraw the cheque book facility without

advance notice and without assigning any reason, if in the Bank's opinion, the Account is not satisfactorily operated or for any other reason whatsoever.

- 13.8 Should a Customer desire to stop payment of a cheque, complete instructions fully identifying the (i) cheque number, (ii) date, (iii) payee's name and (iv) amount, should be sent in writing to the Bank.
- 13.9 Stop payment instructions received other than in writing will not be binding on the Bank. Upon receipt thereof the Customer will complete any further documentation required by the Bank.
- 13.10 The Bank shall not be liable for any risks involved in the collection of cheque books either by assigned representative or any other source.
- 13.11 The Bank reserves the right to refuse payment of any cheque drawn otherwise than in accordance with these Terms and Conditions.
- 14. Deposits**
- 14.1 The Bank may accept cheques, drafts and other instruments payable to the Customer for collection entirely at the Customer's own risk. Un-cleared items though credited shall not be drawn against, and if the same are allowed to be drawn against, the Bank shall have the right to debit the Account if the proceeds of the instruments are not realised.
- 14.2 The Customer shall indemnify the Bank in full as collecting Banker from any loss which may be incurred by reason of the Bank guaranteeing any endorsement or discharge on a cheque, bill, note, draft, dividend warrant or any other instruments presented by the Customer for collection.
- 14.3 Cheques or other negotiable instruments deposited by the Customer that have been dishonored may be returned by special post or messenger to the Customer at the last known address of the Customer with the Bank at the risk and expense of the Customer concerned, unless prior arrangement has been made otherwise for its collection.
- 14.4 For the convenience of the Customer, the Bank may issue pay- in-slips for the deposit of cash and negotiable instruments.
- 14.5 The Bank may accept cheques, drafts and other instruments payable or endorsed to the Customer for collection entirely at the Customer's own risk. Uri-cleared items, though credited, shall not be drawn against, and if the same is allowed to be drawn against, the Bank shall have the right to debit any Account and recover from the Customer, the value of any instrument discounted, purchased or collected by Bank in the event that the proceeds are not received against the same at any time and/or even after the receipt of the proceeds and credit to the Account of the Customer, if the value is subsequently debited from the Account for any reason, including but not limited to fraud, error, illegality.
- 14.6 If the amounts indicated on the "pay-in" slip differ from that of the "later cash count" of the Bank, the Bank's count shall be final and conclusive (save for any manifest error).
- 14.7 Deposits established with the proceeds of cheques will be value-dated after clearance. All cheques that are deposited with the Bank are to be considered as received by Bank solely in its capacity as the Customer's collecting agent and the Bank assumes no responsibility for the

realization of items deposited in the Account for collection.

- 14.8 The Bank may refuse to accept for collection cheques drawn to the order of third parties. The Customer must make arrangements with the Bank for the confirmation of subsequent endorsements. The Customer assumes full responsibility for the genuineness, correctness and validity of all endorsements appearing on all cheques, orders, bills, notes, negotiable instruments and receipts and other documents deposited in the Account.
- 14.9 The Bank may, at its discretion, allow the facility for the Customer to deposit cheques in a drop box located in the Bank's premises or other authorized locations for facilitating deposits during banking hours or after banking hours. Cheques so deposited should be accompanied by pay-in slips or other authorized formats of the Bank, duly filled in. The Bank will not be responsible for accepting deposit of cheques unless they comply with the specifications in the pay-in slip(s) or other authorized format of the Bank, are complete in all respects and such cheques will be deemed to have been presented for deposit on the following Business Day after deposit. The Customer shall be exclusively responsible for ascertaining whether any cheque deposited in the deposit box has been credited to the relevant Account and to collect the pay-in slip(s) or other authorized format of the Bank duly stamped by the Bank and the Bank will not be obliged to issue any separate confirmation in this regard. The Bank will not be liable or responsible for any lost cheque or delay in credit of proceeds of the cheques to the relevant Account.
- 14.10 The minimum initial deposit/minimum average account balance required for opening an Account may be determined and specified by the Bank from time to time in accordance with the directives of the State Bank of Pakistan.
- 14.11 The Bank may deposit the funds in its control with such depository(ies) as it may select in its sole discretion from time to time.
- 14.12 Except where agreed to the contrary between the Customer and the Bank, every payment received for the credit to Account(s) in a currency other than that of such Account(s) may be converted by the Bank at its sole discretion into the currency(ies) of such Account(s) at the Bank's then prevailing rate of exchange before the same is credited to such Account(s).
- 14.13 In the event that the proceeds of the instrument(s) (i.e. cheques, drafts, etc.) deposited for collection are credited into the Account and subsequently remain unpaid for any reason whatsoever or are returned unpaid at any time in the future although previously advised as paid, the Customer undertakes to refund/repay the amount of the instrument(s) together with any expenses incurred by the Bank. The Customer authorizes the Bank to debit such amount and expenses from his/her Account(s).
- 14.14 The Customer will indemnify the Bank as the collecting banker for any losses which the Bank may incur by reason of guaranteeing any endorsements and/or discharges on any cheque, bill, note, draft, dividend warrant or any other instrument deposited by the Customer for collection and every such guarantee given by the Bank shall be deemed to have been given at the Customer's express request in each and every case. The Customer assumes the responsibility for the genuineness, correctness and validity of all endorsements appearing on all such instruments.

- 14.15 Paid cheques may at the discretion of the Bank be destroyed by the Bank after expiry of a period of five (5) years. Only images of the same may be available as stored on electronic media or other modern devices with the Bank.
- 15. PER, IRR and other provisions**
- 15.1 PER, IRR and other provisions may be created, maintained and utilized as follows:
- The Bank may at its sole discretion and as per SBP rules, in order to maintain a certain level of return on investment of Customers provide for a PER, after approval of the Shariah Advisor. PER shall be an amount from the net income of the pool.
 - The Bank may fully or partly utilize the amount of PER to improve the returns to the Customers during periods when the pool's profits are below market expectations.
 - Only existing Customers will qualify for share in PER. As such, the depositor agrees that he / she / it shall not have any right to claim the share in PER (if any) after the withdrawal of the deposit.
 - PER will be created on the basis of Tabarru from pool contributors.
 - Ratio of PER will be displayed on the notice board of the Branches before start of the relevant period.
- 15.2 The Bank may at its sole discretion and as per SBP rules, in order to mitigate risk of future losses to investment Customers, provide for an Investment Risk Reserve (IRR), after approval of the Shariah Advisor. IRR shall be an amount from the Customer's profit i.e. distributable profit net of Mudarib Share (as defined here in below).
- 15.3 IRR will be created as per SBP Guidelines approved by Shariah Advisor of the Bank.
- 15.4 Allocated but unpaid profits which are not reinvested will be recognized as liability of the Bank.
- 15.5 Clauses pertaining to calculation and distribution of profit/ losses in this document shall be in accordance with the prevailing laws of Pakistan and the applicable rules and regulations issued by the State Bank of Pakistan from time to time that are not in contradiction with the rules and principles of Shariah and the profit and loss distribution policy framework approved by the Shariah Advisor and the Board of Directors of the Bank.
- 16. Charges**
- 16.1 Charges shall be levied according to the Bank's schedule of charges. Charges for transactions on foreign currency Accounts will be recovered in any currency, including the currency in which such transaction is made.
- 16.2 The Bank would not require any prior permission from the Customer for debiting the Account for any expenses, fees, commission, Zakat, tax, stamp duty, excise duty, etc. arising out of any dealing with the Bank or payable to the Government of Pakistan.
- 16.3 Zakat, wherever applicable shall be deducted on the valuation date from Accounts having balances in excess of the exempted limit, as declared for the particular Zakat year. In case of exemption from Zakat, the declaration of exemption from Zakat on prescribed format shall be deposited with the Bank at least one (1) month prior to the valuation date or as per the Zakat rules applicable at the time.
- 16.4 With regard to a Card, the Bank may charge the Cardholder an issuance fee, renewal fee, fee for lost cards, re-issuance of cards and any other applicable charges relating to Cards as per the Bank's schedule of charges, as intimated by the Bank from time to time.
- 16.5 The Bank may, without any further express authorisation from the Customer, debit any Account of the Customer maintained with the Bank for the amount of any or all losses, claims, damages, expenses or other amounts which the Bank may suffer, sustain or incur as a consequence of acting upon the Instructions.
- 16.6 The Bank has the right to close an Account without assigning any reason, if the conduct of the Account is unsatisfactory.
- 16.7 In respect of foreign currency Accounts, the Customer shall deposit a minimum of foreign currency as determined by the Bank. The same rules will apply if the balance falls below the minimum as in respect of rupee Accounts.
- 16.8 Without prejudice to any other rights of the Bank as stated in these Terms and Conditions upon non-payment of charges for Card Transactions by the Cardholder, in case of there being insufficient balance in the relevant Account for debit of outstanding charges owed to the Bank by the Customer, the Bank may at its sole discretion cancel the Services of the Cardholder in respect of the Card Transactions and such Services shall remain cancelled until the Cardholder clears all its charges and requests the Bank in writing to restore the Services.
- 17. Profit & Loss Sharing(Savings, COII/Call, Foreign Currency, Current, Margin Accounts)**
- 17.1 In case of a profit and loss sharing Account, the amount in the Account and the profit thereon, shall be subject to these Terms and Conditions.
- 17.2 The Bank shall share in the profit on the basis of a predetermined percentage of the gross income of the Business (the "Mudarib Share"). The Gross Income of the Business is defined as all income of the Business minus all direct costs and expenses incurred in deriving that income. The Mudarib Share may be varied from time to time and can be obtained from the Bank upon request as well as available on the Bank's website at www.bankmakramah.com
- 17.3 The weightages applicable to all accounts/COM shall be announced every month, at least three (3) working days before the commencement of the relevant period, and shall be available at the Bank upon request and on the website.
- 17.4 In case of Savings Accounts, unless otherwise indicated by the Bank, profit would be applied on a monthly basis. All accounts are finalized at the end of the month by the Bank for calculation of profit or loss.
- 17.5 Profit calculation methods used as per the deposit product specification are on a daily product basis (daily average balance maintained in such accounts calculated with the respective weightages applicable) or any other approach approved by the Shariah Advisor/Shariah Supervisory Board. Such method associated with the respective deposit products is mentioned in the product brochures as well as available on the Bank's website at www.bankmakramah.com
- 17.6 In the event of loss on either the capital or revenue account in respect of the Business, all investors of the investment pool, investing in the Business, shall share, in such loss on a pro rata basis and proportionately as per their investments. However, if loss has been incurred

by the Business and was caused by the gross negligence or willful default of the Bank, the Customers will not be liable to share in such loss.

- 17.7 Redemption of any amount subject to Fixed Term Deposit Certificate of Islamic Investment (COII)/Savings accounts by the customer shall mean the transfer of its respective share in the Business along with all related risks and rewards as such redemption shall be on the basis of the principal value of the investment, subject to the provisions in respect of Profit in Clause 18.3 and Loss in Clause 18.6 hereof.
- 17.8 The method of calculating any return under the profit and loss sharing scheme is governed by the prevailing regulations/directives of the State Bank of Pakistan issued from time to time.
- 17.9 Any amount allocated on Profit I loss by the Bank in accordance with the rules and regulations of the State Bank of Pakistan shall be final and binding on the customer.
- 17.10 Unless specifically advised by the Customer to the contrary, on maturity, a fixed term deposit certificate of Islamic investment (COII) will be renewed/reinvested again, at the sole discretion of the Bank, on terms then applicable.
- 17.11 At the time of maturity of fixed term deposit certificate of Islamic investment (COII), or closing of a profit bearing account, the profit for the final month shall be calculated as per last month's declared profit rates.
- 17.12 In case of premature encashment of fixed term deposit certificate of Islamic investment (COII), profit will be payable for the term completed at the rate applicable to such term. Any excessive amount paid on account of Profit will be adjusted at the time of encashment.
- 17.13 No profit will be paid on Current Accounts, Call Deposit Account (Pak Rupees/Foreign Currency) as these are on the basis of Qard. However, the principal amount/funds deposited by the Customer will be repaid to the Customer, at any time, upon demand by the Customer of the same.

18. Statement of Account

- 18.1 The Bank will issue and send to the Customer a statement of Account as may be required. The Customer will inform the Bank within forty five (45) days of the date of issue of the relevant statement of Account of any mistake, discrepancy and/or error in such statement of Account after which time, the Bank's statement will be considered final.
- 18.2 If the Customer fails to notify the Bank as aforesaid, then such statement of Account shall be deemed to be correct and the balance stated therein shall be deemed to have been verified by the Customer and shall be taken as conclusive evidence for all purposes.
- 18.3 In case of any error in the entries, the Bank shall be within its rights to rectify the error and shall thereafter notify the Customer of such error and recover/disburse any amount wrongly paid or credited together with any accrued profit (or other return) thereon. The Bank shall not be responsible for any loss or damage caused due to such errors and subsequent reversals.
- 18.4 Duplicate copies of statement of Account shall be provided by the Bank upon the payment of the relevant charges, as permitted.
- 18.5 The Bank shall send the Customer a statement of balance

at regular intervals to be set by the Bank in accordance with rules and regulations on the State Bank of Pakistan. This statement of balance shall assist the Bank in seeking a confirmation of the Customer's balance maintained in the Account as of a date specified by the Bank. The Customer agrees to comply with all instructions which the Bank may issue in this regard, including the obligation to inform the Bank of any discrepancies within forty five (45) days of the issue of the statement of account, failing which the statement of balance shall be deemed to be correct for all purposes. Statement of accounts shall be sent, free of charge, at least twice a calendar year. The Bank may charge the Customer for duplicates and/or additional statements of account in accordance with the rules and regulation of the State Bank of Pakistan and the Bank's schedule of charges.

- 18.6 In case of Accounts whose statement of accounts are returned undelivered, such Accounts may be classified by the Bank as 'Whereabouts Unknown'. The Bank shall deal with such Accounts in accordance with applicable laws and SBP directives.
- 18.7 The Customer must notify the Bank immediately in writing if any periodic statement is not received by him/her within a reasonable time.
- 18.8 Statement of Accounts that reflect transaction activity at the ATMs and/or POS Terminals may be issued and sent to the Cardholder on a periodic basis.
- 18.9 In case the Customer requests the Bank for receipt of statements of Accounts via electronic mail (if such Service is made available by the Bank to its Customers), the same shall be at the entire risk and responsibility of the Customer and the Bank shall not be held liable or responsible in any way from any loss or damage resulting to the Customer, on account of any delay, inaccurate transmission, incorrect transmission or error. The Bank may impose additional conditions before accepting requests for electronic mail statements of Account(s) including obtaining a consent to issue such electronic statement(s).

19. Reliance of Instructions

- 19.1 The Customer hereby authorizes the Bank to rely and act, without any liability on the part of the Bank, upon all Instructions issued by or purporting to be issued by the Customer and to accept the same as correct, accurate and duly authorized by the Customer.

20. Confirmation of Identity

- 20.1 The use of the PIN or Password shall constitute confirmation of the identity of the Customer and the Bank may, but is not obliged to, further confirm the identity of the Customer. The Customer hereby also agrees and authorizes the Bank to record such contents of any phone call as may be deemed appropriate by the Bank and such recorded conversation may be adduced as evidence, if and when required. The Bank may also utilize such other means of confirming the Instructions as deemed appropriate by the Bank in its discretion. The Bank reserves the right to refuse to execute any or all of the Instructions if there is a failure or denial on the part of the Customer to confirm the Instructions and/or in the event the Bank, through any of its representatives, is in doubt as to the identity of the caller, or the bonafide of any Instruction given on behalf of the Customer.
- 20.2 The Bank may choose to act on the verbal Instructions of the Customer in its discretion but is not bound to do so.

20.3 The Bank shall offer a photo Account facility to persons who satisfy the Banks criteria for maintenance and operation of such Accounts. This shall include but not be limited to persons who are visually impaired, illiterate and/or otherwise require a photographic identification to enable the Bank to adequately identify such persons and satisfy the Bank's KYC requirements. Such persons may also be required to provide an indemnity to the Bank to enable operation of their Account. Cards may be issued to photo Account holders subject to laws, regulations and SBP directives, as applicable from time to time. Persons holding photo Accounts will be required to operate such Accounts in person at the Bank, including the signing of any instruments and/or documents which will be done before an officer of the Bank.

21. Bank's Right to Consolidate and Set Off

21.1 Notwithstanding any provisions to the contrary contained in these Terms and Conditions, the Bank shall have the right at any time and at its sole discretion to consolidate, combine and/or merge all or any Accounts in the name of the Customer maintained at any branch of the Bank without prior notice to the Customer and such right to consolidate, combine and/or merge shall include the right to adjust or set-off any indebtedness which the Customer may incur in favour of any branch of the Bank irrespective of the currency or currencies involved. If pursuant to such consolidation, combination or merger, a shortfall or deficiency arises in favour of the Bank, the concerned Customer shall be bound to pay the same upon first demand by the Bank.

22. Bank's Lien

22.1 In the event the Bank shall accept or incur any liability on the Customer's request, the Bank shall have a lien on all funds, monies, securities and other properties of whatsoever nature belonging to the Customer in the possession of the Bank for the due repayment of such liability. In the event of any default by the Customer the Bank without further notice to the Customer may take such steps to dispose or realize the properties as it may deem fit and use the proceeds of such disposal or realisation in settlement of all outstandings against the Customer.

23. Notices by the Bank

23.1 All correspondences, notices or demands by the Bank, shall without prejudice to any other mode for effecting service, be deemed to have been validly effected or sent if served to the Customer personally or delivered or sent by telex or fax or registered mail or courier to the Customer's last known address in accordance with the Bank's record and shall be deemed to be duly delivered and received, on the actual date of delivery where personally sent or where sent by registered mail/courier, within three days of dispatch. In the case of any communication sent by telex or facsimile transmission, such communication shall be deemed to be effected on the date of the telex or facsimile transmission was actually sent. Provided that the Bank may in the alternate or in addition to the above, serve notices by publishing notices in English and/or Urdu language newspapers, as permitted.

24. Indemnity and Liability

24.1 The Bank shall use its best endeavors to provide error-free operation of the Account and the services to its Customers. Notwithstanding the same, the Customer hereby confirms that the Bank shall not be liable for and

indemnities and agrees to hold harmless the Bank and its respective officers, directors, employees and representatives, agents and contractors from and against any and all losses, damages, liabilities, payments and obligations and all expenses (including without limitation reasonable legal costs) incurred, suffered, sustained or required to be paid, directly by, or sought to be imposed upon the Bank, arising out of, inter alia the following, except in cases where a judgment of a court of law declares that the Bank has acted negligently. Notwithstanding anything to the contrary contained herein, under no circumstances will Bank be liable for

- (i) Loss of profits, business, revenue, goodwill or anticipated savings, and/or.
- (ii) Indirect or consequential loss or damage:
- (iii) The Bank acting upon the Customer's written or verbal instructions to stop payment, hold mail, issue and or to act on any other instructions, including standing instructions issued by the Customer to the Bank from time to time, or any unauthorized use of the Card.
- (iv) Any claim by the Customer or any other third party concerning the amount, transfer, delivery or non-delivery of any product requested through the Services or any other matter relating to the Services.
- (v) Any claim by the Customer for any discrepancies, errors or delay of any Transaction dependant on third party service providers.
- (vi) Any delay, discrepancy or error in the transfer of funds by the IBFT where the Customer has entered incorrect information about the beneficiary or where there is an error, delay or discrepancy caused by the beneficiary bank.
- (vii) Any action taken by the Bank in reliance upon:
 - (a) Instructions which are revealed to be duplicate or erroneous;
 - (b) Instructions purported to have been given by the Customer, which are subsequently discovered to be fraudulent;
- (viii) Any taxes or other levies due to be paid by the Bank on payments made through or pursuant to the Service.
- (ix) Any error, neglect or default, act or omission whether of itself or of its employees or of any correspondent, sub-agent, participating bank or of their employees. Subject to these Terms and Conditions, any amendment or variation to the instructions.
- (x) For any instruction not complied with, due to reasons beyond the control of the Bank.
- (xi) Any indirect, incidental or consequential loss or loss of profit that the Customer may suffer by reason of disruption or failure in any communication or electronic transmission facility or the services.
- (xii) Any loss arising out of unauthorised or fraudulent access of the account or the services or otherwise in connection with these Terms and Conditions or the Bank's failure to provide the Services.
- (xiii) Loss, theft, disclosure of the PINs or the chequebook.
- (xiv) Diminution due to taxes or imports or depreciation in the value of funds credited to an Account, whether due to devaluation or fluctuation in the exchange rate or otherwise.

- (xv) The liability of the Bank for non-execution or delay in implementation of instructions will not in any case exceed the amount of value-dated adjustment if the failure or delay is attributable to the Bank.
- (xvi) Any indirect, incidental or consequential loss or loss of profit that the Customer may suffer by reason of disruption or failure related to the ATMs, POS Terminals, any communication or electronic transmission facility or the Services.
- (xvii) Any use or operation of any of the Services by the Customer.
- (xviii) Unavailability of funds due to restrictions imposed by SBP or any other regulatory body/bodies, including refusal or inability to sell foreign exchange as necessary to meet request(s) for withdrawal, restrictions on withdrawal or on convertibility, or on transferability, or in the event of compulsory transfer or restriction being imposed on or otherwise affecting the Account in any manner whatsoever. In which circumstances, the Bank's head office, other branches, subsidiaries or affiliates will be under no obligation to pay the amount standing to the credit of such Account of the Customer with any of the Bank's branches in Pakistan.
- 24.2 In case of the Bank being served any notice or made a party to any action, proceeding or litigation involving the Customer, the Account(s), the Services and/or the Transactions at the instance of any third party (other than when the Customer and the Bank are directly in dispute) the Bank will be fully indemnified by the Customer for all costs and expenses, including legal costs incurred or suffered by the Bank and the Bank may debit such amounts to any Account(s) of the relevant Customer.
- 25. Amendments**
- 25.1 The Bank may from time to time revise and/or change any of these Terms and Conditions. Such changes shall be notified to the Customer thirty (30) days in advance of the amendments coming into effect. Such changes will either be notified to the Customer through the mail or by notice in the newspaper or by affixing a notice to that effect at a conspicuous place within the premises of the Bank's concerned branch. Such changes shall be deemed to have been approved unless the customer objects thereto in writing. The customer's objections must be received by the Bank within one month from the date of notification of the amendments and if the Customer and the Bank fail to resolve the issue within a reasonable time, the customer or the Bank shall be at liberty to terminate the banking relationship.
- 25.2 The Bank may also from time to time revise and/or make changes to any of the charges leviable in respect of the Services, as per the Bank's Schedule of Charges. Such changes shall be effective from the date specified by the Bank for such modification. Such changes will either be notified to a Customer through the mail or by notice in the newspaper or by affixing a notice to that effect for seven (7) days at a conspicuous place within the premises of the Bank's concerned branch or in such procedure as may be prescribed by the SBP from time to time.
- 25.3 Subject to the above, the Bank reserves the right at any time and without notice to:
- (i) Change the fees for the use of the Services in accordance with the Schedule of Charges.
- (ii) Add or withdraw or change the type of Transactions provided by the Services.
- (iii) Vary the frequency and manner of use of the Services, the withdrawal limits, operating house and Transaction types, facilities and Services available at any point in time through the use of the Services.
- (iv) Impose charges and fees for the use of the Services and for the replacement of any lost or stolen Card or PIN.
- 25.4 In the event that any change in the Terms and Conditions is not acceptable to a Customer, the Customer may terminate the banking relationship within thirty (30) days of the said change being notified.
- 26. Disclosure, Loss or Theft of the Card and/or the PIN**
- 26.1 In the event of the loss or theft or unauthorized disclosure of the Card and/or the PIN, the Customer shall immediately notify the Bank of such theft or loss or disclosure. The relevant stop payment Instructions will be implemented by the Bank as soon as possible upon receipt thereof in writing. The time at which the Bank received the aforementioned information or Instructions will be determined and certified solely by the Bank and such determination shall be binding and conclusive on the Customer. The Bank reserves the right to ask for written Instructions for further confirmation. A new PIN will be generated at the request of the Customer via the Bank's customer care center.
- 27. Stop Payment Instructions**
- 27.1 The Bank shall only act upon written stop payment Instructions signed by the Customer and delivered to the Bank. In case the stop payment instructions are received by the Bank after the instrument in question is encashed, the Bank shall inform the Customer accordingly and shall be under no further obligation in regard to the said stop payment Instructions. The stop payment Instructions shall be effective for a period of 6 months commencing from the date of receipt of the same, if the instrument has not been encashed. The time at which the Bank received the aforementioned information or Instructions will be determined and certified solely by the Bank and such determination shall be binding and conclusive on the Customer.
- 27.2 No stop payment Instruction for undated cheques shall be accepted by the Bank in any circumstances whatsoever and in case of loss of any undated cheque, the Customer is obliged to close the relevant Account and reopen another Account.
- 28. Customer's Covenants, Warranties and Representatives**
- 28.1 The Customer hereby confirms, represents and warrants that:
- (i) The Bank, as it acts in compliance with the Instructions, shall have no further duty to verify the identity of the person issuing the Instructions. Provided, however, that the Bank in its sole discretion, shall have the right to refuse at any time the execution of any Instruction.
- (ii) The Customer shall be bound by any/all Instructions issued by the Customer or purporting on their face to have been issued by the Customer and accepted by the Bank.
- (iii) The Customer shall be solely responsible for ensuring that the Account number, the PIN and any Bank chequebook, and/or any other data that may be

communicated to the Customer in this regard by the Bank, is fully secured and is not disclosed to unauthorized persons or third parties.

- (iv) The Customer shall at all times maintain clear and sufficient funds in the Bank Account(s) in order for the Bank to put into effect the Instructions or effect transfer or withdrawal of funds. The Bank is under no obligation to honour any Instruction unless there are sufficient funds in the Account or the Customer has been granted funds in the Account or the Customer has been granted adequate finance facilities.
- (v) The Customer shall be responsible for immediately reimbursing the Bank for any amount overdrawn without specific prior written approval from the Bank by the Customer from the relevant Account, together with the applicable profit charges of the Bank as may be determined between the Bank and the Customer and in accordance with the prevailing rules and regulations, whether or not any demand is made by the Bank.
- (vi) The Bank is entitled to levy any charge on the Services in accordance with the schedule of charges applicable from time to time.
- (vii) The Customer acknowledges that the Bank may implement whatever security procedures and features it deems appropriate and/or necessary from time to time in order to verify the identity of the Customer or for the purpose of treating the Transactions as authorized.
- (viii) Instructions shall be deemed irrevocable and binding on the Customer upon transmission by the Customer to the Bank.
- (ix) The Customer shall be solely responsible for ensuring the accuracy and completeness of all Instructions of the Customer. The Bank shall not be responsible for the consequences, of any such Instructions being incomplete, garbled or inaccurate.
- (x) The Bank reserves the right without prior notice to cancel or decline to execute any Instruction without assigning any reason.
- (xi) The Bank reserves the right to accept and act upon the Instructions notwithstanding that such Instructions may conflict with any other Instruction received under any other mandate or Instruction given by the Customer to the Bank.
- (xii) That the Customer agrees/undertakes:
 - (a) To promptly return the Card to the Bank upon the first request by the Bank.
 - (b) That if there is any claim or dispute arising from the use or purported use, loss or misuse, of the Card, the Bank may disclose to parties who are privy to the Transactions or the appropriate authorities any information regarding the relevant Account and/or any other Account(s) that the Bank considers necessary in investigating the claim or dispute.
- (xiii) Notwithstanding anything contained hereinabove, the Customer irrevocably and unconditionally agrees and undertakes at all times to comply, fulfill, abide by and to be bound and governed by all Terms and Conditions of the Bank as well as Terms and Conditions which have been prescribed as per the directives of the SBP and as per the applicable laws of Pakistan in all respects and under all circumstances. These Terms and Conditions are in addition and not in substitution for the Terms and Conditions, rules and regulations, procedures and

methods of the Bank governing the Account(s) and Services which are offered to the Customer from time to time.

- (xiv) The Bank shall not be liable for any losses nor inability to perform, caused by or in connection with force majeure, riot, war, natural event, any circumstances beyond the Bank's control or other occurrences for which the Bank is not responsible, including but not limited to lockouts, traffic hold-ups, strikes, civil commotions, acts of domestic or foreign governmental authorities (whether de jure or de facto) requirements of laws or regulations, market disruptions or any act of clearing/settlement.
- (xv) The Bank is subject to all applicable circulars, orders, rules, regulations, laws, decrees and restrictions issued by competent government and other regulatory authorities in Pakistan and the liability of the Bank for payment is governed by applicable laws and regulations in force in Pakistan at the relevant time. Repayment of any deposits, account balances or profit thereon in any Accounts is subject always to any acts and directions of the Government of Pakistan and/or the SBP.
- (xvi) The Customer hereby irrevocably and unconditionally agrees and undertakes at all times hereafter to fully indemnify the Bank and keep the Bank indemnified and harmless from and against all losses, damages, penalties, fines, fees, costs, charges, expenses of whatsoever nature if any suffered, sustained and incurred whether directly or indirectly by the Bank, its successors in interest, administrators and assigns and howsoever arising and against all suits, claims, actions, demands, liabilities, proceedings of whatsoever nature made or brought or filed against the Bank by whomsoever in connection with these terms or arising as a result of the Bank opening the Account and providing such Services as requested by the Customer or in connection with the Bank acting upon the Instructions of the Customer or arising as a consequence of contravention by the Customer of any regulations and/or directives of SBP or any other laws of Pakistan and the Customer further undertakes to pay the Bank un-conditionally and within seven (7) days of Bank's first written demand any or all the amounts claimed by the Bank.

29. Hold Mail Instructions

- 29.1 I The Customers desirous of not wanting the statements, advices and other correspondence relating to their Account(s) maintained with the Bank, to be mailed at their given address(es) shall furnish a duly filled/signed hold mail indemnity to the Bank. The Bank may in its sole discretion, upon a written request of the Customer, provide a "Hold Mail" facility whereby the Bank shall retain for periodic collection by the Customer or its duly authorized agent, all communications or statements of account relating to the Customer's Account.
- 29.2 The Customer hereby waives his right to question any detail appearing in the "Hold. Mail" communications or statements of Account irrespective of their actual date of receipt.
- 29.3 The Bank at its sole discretion shall destroy all 'Hold Mail' not collected by the Customer after holding the same for a maximum period of six (6) months.

30. Dormant Accounts

- 30.1 In case an Account remains inoperative for one year (1) i.e. no transaction takes place for the period; the Account

will be marked as inactive/dormant. Operations in the dormant Account shall not be allowed unless specifically requested by the Customer upon presentation of the Customer's original CNIC or any other valid document(s) /requirements prescribed by the Bank from time to time.

31. Unclaimed Deposits and Instruments

31.1 **In the event that an Account remains dormant and unclaimed and/or any instrument remains unclaimed for ten (10) years or more the credit balance appearing in the Account and/or the unclaimed instrument shall be transferred to SBP in accordance with Section 31 of Banking Companies Ordinance, 1962.**

32. Miscellaneous

32.1 **Governing Law:** These Terms and Conditions shall be governed and be subject to the substantive and procedural laws of Pakistan, including all notifications, directives, circulars and regulations of the SBP and/or provincial or federal government or any other local authority or body, shall be deemed to be modified to the extent required for compliance with such laws.

32.2 **No liability of the Bank:** It is clarified that the Bank does not assume any liability for any delay or non-execution of any Instruction except on account of established gross negligence or willful misconduct on the part of the Bank. In any case, without prejudice to the above, the maximum liability of the Bank will be limited to any accrued profit or value-date adjustment for the relevant payment or transfer Instructions.

32.3 Certain Services may presently not be available with the Bank and Terms and Conditions relating to the same will be applicable to such Services as and when such Services are made available by the Bank.

32.4 In case of any dispute between the Bank and the customer in regard to the interpretation of Terms and Conditions mentioned in account opening form, the matter will be referred to the State Bank of Pakistan for resolution.

(II) SPECIAL TERMS

1. Call Deposit Receipt

1.1 CDRs may be issued by the Bank at any of its branches (at the request of the Customers) and where applicable at the request of the joint account holders. In order to purchase a CDR, the requesting Customer(s) is/are required to maintain an Account with the Bank, against which, either by cheque or direct debit payment, the relevant CDR may be issued by the Bank. The CDR will be issued as per the details in the issuance request provided by the Customer(s), which request shall also contain an indemnity discharging the Bank from any liability arising from or in relation to the requested CDR.

1.2 The CDR may be issued in favor of individual or any other legal entities as beneficiaries and shall be non transferable/ non- negotiable/non-endorsable instruments, payable to the beneficiary or the Customer(s), as per the Terms and Conditions. The CDR will be payable at call and will not carry any profit.

1.3 CDRs issued by the Bank may be realized only by deposit through the normal process of clearing.

1.4 CDRs issued by the Bank will not bear an expiry date but shall be required to be validated, at the discretion of the Bank, if presented for clearing to the Bank at any time six (6) months after the issuance of the CDR.

1.5 In the event of a request by the Customer(s) for

cancellation of a CDR issued by the Bank (with subsequent credit of the CDR amount to the Customer's Account) and/or replacement thereof, for any reason, including but not limited to the CDR being lost/stolen/ destroyed, the said CDR shall only be cancelled and/or replaced against a letter of indemnity provided by the Customer(s) mentioning the CDR number along with the return of the original CDR (where possible), coupled with the beneficiary's letter discharging the said beneficiary's claim to the lost/stolen/destroyed CDR, enclosing a copy of the beneficiary's CNIC.

1.6 No alteration of the CDR, of any kind whatsoever, is permitted and use of an eraser or eradication/correction fluid is strictly prohibited. CDRs presented for clearing with any such alteration marks shall not be cleared and shall be held by the Bank for further action.

1.7 All other costs, charges, government fees and/or other expenses incurred by the Bank from time to time as applicable, pertaining to the issuance and clearing, and/or otherwise in relation to a CDR shall be payable by the Customer(s).

2. Internet Banking

2.1 The Customer shall be responsible to keep confidential the Internet Password/PIN generated in relation to the Account(s) by following the procedure outlined on the Site and the same will not be disclosed to any other person and the Customer(s) will safeguard it from being divulged and/or being used by any other person(s).

2.2 The Customer must notify the Bank immediately should the Customer suspect that the Internet Password/ PIN has been disclosed or if the Customer suspects that the Internet Password/PIN and/or the Internet Banking Services are being used in a manner not authorized in the Terms and Conditions.

2.3 The Customer will not allow any other person to operate the Bank's Internet Banking Services on their behalf and will not leave the computer unattended during the time when they are logged in to the online Account. The Customer will not access the Bank's Internet Banking Services from a computer connected to a local area network (LAN) without ensuring that no one else is able to observe, copy, access or obtain access or information relating to the Bank's Internet Banking Services.

2.4 Each person, who through the use of the correct Internet Password/PIN at the Site can access or use the Internet Banking Services, will be considered an authorized Customer. This is applicable even if the said individual is not actually a Customer and the Bank is authorized to accept such Transactions and Instructions by the aforesaid individual logged in to the Site, The risk arising from the use and the misuse of the Internet Banking Services is thus solely assumed by the Customer directly and the Bank will not be liable in respect of the same.

2.5 The Customer will only use the Bank's Internet Banking Services on a computer or other internet access device which the Customer owns and will not access and use the Internet Banking Services on a computer or any other internet access device which belongs to any other person. The Bank will not be responsible for any loss, damage or harm caused to any person, including the Customer, as a result of not compliance with this condition.

2.6 The Bank shall not be responsible for any loss or damage if the Customer is unable to gain access and/or use the Internet Banking Services due to reasons beyond its

- control, including, but not limited to, any computer and telecommunication, electrical, technical or network failure/malfunction.
- 2.7 The Customer understands that the Bank shall make available the Internet Banking Services for use on a best efforts basis and routine maintenance, excess demand on the system and other reasons beyond the control of the Bank, may cause disruptions in the availability of this facility.
- 2.8 The Customer understands that the Bank may:
- (i) Change the mode of operation of the Internet Banking Services.
 - (ii) Add, remove or otherwise change the Internet Banking Services provided on the Site.
 - (iii) Discontinue temporarily or permanently the Internet Banking Services; and/or
 - (iv) Take any other step that may be required by the Bank from time to time in relation to the Internet Banking Services.
- 2.9 The Customer shall be responsible, at the Customer's own expense, to ensure that their computer or any other device through which the Customer is accessing the Bank's Internet Banking Services is compatible with the service system used by the Bank. The Bank will not be responsible for any loss, damage or harm arising due to non-compatibility between the Bank's systems and the computer or other device from where the Internet Banking Services are being accessed by the Customer.
- 2.10 The Customer will be responsible to keep the computer or other devices to be used to access the Internet Banking Services safe and free from any computer virus(es) and any similar programs/software and ensure that they are adequately protected against acquiring computer virus.
- 2.11 The Customer is aware that internet communications are not secure unless the data is being sent in an encrypted form. The Customer agrees that the Bank will not be responsible for any unauthorized access and use by a third party and/or corruption of data being sent using the Internet Banking Services.
- 2.12 It is the responsibility of the Customer to become acquainted with the process of using the Internet Banking Services available on the Site and the Bank shall not be responsible for any errors made by the Customer(s) while accessing the same due to lack of knowledge on the part of the Customer(s).
- 2.13 Internet Banking Services are intended to be used by the Customer within the geographical limits of Pakistan and in case it is accessed from a foreign country or outside Pakistan, the Customer shall be solely responsible to comply with laws and regulations of the same country/territory including, but not limited to, obtaining any license required for use, import/export of the software/program used for the Bank's Internet Banking Services in that country.
- 2.14 The Customer shall be responsible for all claims, actions, damages or losses incurred by the internet service provider in relation to accessing and using the Internet Banking Services.
- 2.15 The Customer will be fully responsible for any instruction(s) given to the Bank in relation to the Services available via the Internet Banking Services and the Bank will not be liable in any manner for any unauthorized, fraudulent or erroneous instructions.
- 2.16 The Customer agrees that the Bank may, in its sole discretion, refuse to carry out any instructions given in relation to the Internet Banking Services if it has reason(s) (in which the decision of the Bank will be final and binding on the Customer) to believe that the instructions are not genuine or are otherwise improper or unclear or raise a doubt or in case any instructions appear to be illegal/suspicious in any respect.
- 2.17 The Customer understands that no written advice or confirmation will be made and issued by the Bank for any Transactions conducted on the Internet. Banking Services, although such Transactions will be recorded in the Statement.
- 2.18 The Customer agrees that the Bank will not be liable in any manner for, including but not limited to the following:
- (i) Any error, default, delay or inability to act on all or any of the Instructions given through the Internet Banking Services.
 - (ii) Loss of any Instructions given by the Customer through Internet Banking Services.
 - (iii) Unauthorized access by any other person to any instruction given by the Customer through the Internet Banking Services.
 - (iv) For any loss or damage that may arise or be incurred directly or indirectly by reason of the Bank carrying out any Instructions or failure of the Bank's Internet Banking Services.
 - (v) For any change, alteration, additions or deletions to these Terms and Conditions, the Services, the systems of operation of the Internet Banking Services or the daily cut-off times, as notified through the Internet Banking Services.
 - (vi) For any partial, incomplete, late or failed transfer or bill payment to any payee nominated under the Internet Banking Services due to reasons beyond the Bank's control.
 - (vii) Any Instructions submitted through the Bank will not be affected and remain valid if operations of Internet Banking Services are suspended or come to an end due to any reason.
- 2.19 On Instructions received through Internet Banking Services, the Bank will be entitled to debit any amount along with the applicable charges/fees as applicable from time to time on the Transactions from the Account(s). The Instructions given on Internet Banking Services cannot be reversed. The Bank will not be responsible for, including but not limited to the following:
- (a) To reverse any Instructions given through Internet Banking Services;
 - (b) To accept any Instructions which are conditional or which require the Bank to make payment to a third party earlier (or later) than the time the Bank requires according to normal banking practice.
- 2.20 The Bank in its sole discretion will be entitled to refuse to carry out an Instruction submitted through the Bank's Internet Banking Services or may require the Customer to provide a written confirmation in relation to such Instructions.
- 2.21 The Bank will act on Instructions in accordance with cut-off times as notified through the Internet Banking Services or in absence of such notice as per the normal

banking practice.

- 2.22 Where applicable, in the absence of any specific Instructions, the Bank reserves the right to convert all transfers to the Account(s) into the currency of the Account(s) at the Bank's selling rate of the currency.
- 2.23 All transfers requested by the Customer will be converted by the paying bank into local currency at its buying rate unless the payee has made special arrangement with the paying bank.
- 2.24 If the transfer authority is submitted through the Internet Banking Services, the Bank may act upon such Instructions and may presume that the same are genuine and accurately represent the wishes of the Customer, even if the Instructions are actually compiled with or sent in error or by fraud or negligence or altered or amended by someone other than the Customer with or without the actual knowledge or instruction of the Customer. The Bank has no duty to verify the facts and genuineness of the Instructions. The Customer shall agree to hold harmless and indemnify the Bank against any loss, costs, damages, expenses, liabilities or proceedings, which the Bank may incur or suffer as a result of acting upon or delaying to act upon or refraining from acting upon the said Instructions.
- 2.25 The Bank shall be entitled to charge fees and services for access and use of the Bank's Internet Banking Services. The Bank may also charge applicable fees and service charges for carrying out Transactions on the Bank's Internet Banking Services, such charges being notified in the Bank's schedule of charges issued from time to time.
- 2.26 The Customer understands that the information and materials contained on the Site and the Terms and Conditions and description applicable to the Bank's Internet Banking Services, are subject to change by the Bank due to any unauthorized use of the Site and/or other sites and system including but not limited to unauthorized entry into the Bank's systems, misuse of any passwords/codes or misuse of any information posted on the Site.
- 2.27 The Customer agrees that by making available the Bank's Internet Banking Services to the Customer, the Bank is granting a non-exclusive, non-transferable, temporal, license to the Customer to use the Site and the related software in connection therewith, This permission is restricted to authorized and legitimate access and use of the Internet Banking Services. All materials and information and trade mark(s)/trade name(s) given in the Site belong to the Bank. In this regard, the Customer agrees as follows:
- Not use this information/material except in connection with access and using Internet Banking Services.
 - Not to make/take copies sell, assign, commercially, rent, sublicense or otherwise transfer the same to any third persons.
 - Not attempt or decompose, reverse or tamper with the system or software related to the Banks Internet Banking Services.
- 2.28 The information and materials contained in this Site, including text, graphics, links, or other items are provided "as is". As it is on an "as available" basis, the Bank does not warrant the accuracy, adequacy or completeness of the information and materials and expressly disclaims liability for errors or omissions in the

information and materials no warranty of any kind, implied, expressed or statutory including but not limited to the warranty of non-infringement, web infringement of third party rights, title, merchantability, fitness for a particular purpose and freedom from computer virus, given in conjunction with the information.

- 2.29 In no event will the Bank be liable for any damages, including without limitation, direct or indirect, special or consequential damages, losses or expenses arising in connection with this Site or if any linked site or use of this or any linked site or inability to use by any party or in connection with any failure of performance, error, omission, interruption, defect, delay in operation or Transaction, computer virus or system failure even if the Bank or any of its representative thereof are advised of the possibility of such damages, losses or expenses.
- ### 3. Mobile Banking
- 3.1 The device used for using the Mobile Banking Services may include a computer, mobile/cell phone, television or similar technologies (the device) and the medium through which the Customer accesses electronic banking may include the Internet, wireless application protocol (WAP), wireless Internet gateway (WIG), short messaging system (SMS), or similar technologies (the medium). In connection with these Terms and Conditions, the "device" and the "medium" shall collectively be referred to as "Mobile Banking Service". Where a particular communications system requires contractual provisions different from other communication systems, this will be clearly stated in these Terms and Conditions.
- 3.2 Mobile Banking Services will only be available for mobile phones and data connections which meet the required specifications and configurations as may be specified by the Bank from time to time. The Customer must agree to procure and maintain a mobile phone and data connection with a mobile number which is duly registered with the Bank. These requirements must be met by the customer at their own expense, if the Customer is desirous of using the Bank's Mobile Banking Services. The Mobile Banking Services is currently available only to resident Pakistani Customers with Account(s) maintained with the Bank.
- 3.3 The Bank will inform the Customer from time to time about any changes and/or modifications in respect of access and/or operation of the Mobile Banking Services, The Customer must adhere to all such changes while accessing or operating the Mobile Banking Services.
- 3.4 Mobile Banking Services are intended to be available 7 days a week, 24 hours a day but there is no warranty that the same will be available at all times. The Customer agrees that the Bank shall be entitled at any time, at the Bank's sole discretion and without prior notice, to temporarily suspend the operation of the Mobile Banking Service for updating, maintenance and upgrading purposes, or any other purpose whatsoever that the Bank deems fit, and in such event, the Bank shall not be liable for any loss, liability or damage which may be incurred as a result.
- 3.5 The scope, features and functionality of the Mobile Banking Services will differ from the other banking Services in relation to other electronic channels, and may be varied by the Bank from time to time. The Customer agrees and acknowledges that certain services are not available on the Bank's Mobile Banking Services and these may or may not become available in the future; additionally, the Customer also agrees and acknowledges

that certain services which are currently available on the Mobile Banking Services may be discontinued by the Bank, without incurring any liability.

- 3.6 The Customer acknowledges and agrees that the Bank may, in its sole and absolute discretion, without notice and from time to time add to vary, alter, suspend or remove any part of or all of the Mobile Banking Service, or any function or feature of the Mobile Banking Service, without giving any reason and without incurring any liability.
- 3.7 The Customer understands that any access to Mobile Banking Service will be effected through the relevant mobile phone service provider in the country from where such service is accessed, and to this extent such access will also be subject to and governed by the relevant laws and regulations of the country and any Terms and Conditions prescribed by the MSP in separate agreements with the Customer. The Customer shall be responsible for all fees, charges and expenses, including without limitation IDD charges for overseas usage, which may be imposed by the Mobile Phone Service Provider in servicing the Customers telecommunications equipment in connection with the use of Mobile Banking Service.
- 3.8 The Customer represents to the best of his/her/their knowledge that the Customer's telecommunications equipment through which access may be effected by any use of the Account Number and the Security Code are free from any electronic or mechanical defect, data failure or corruption, viruses, bugs and other similar problems. The Customer agrees that neither the Bank, nor any of our officers and employees or any branch, affiliate or subsidiary of the Bank, are responsible for any electronic or mechanical defect, data failure or corruption, computer viruses and bugs or related problems that may be attributable to the Customer's telecommunications equipment and/or the services provided by any relevant MSP.
- 3.9 The Bank may wherever feasible extend the Mobile Banking Services to other MSPs from time to time, The Customer assumes full responsibility for the security and confidentiality of his/her mobile phone/mobile phone number and the Security Code to be used in initially gaining access to his/her designated Account(s) through the use of his/her mobile phone.
- 3.10 The Customer assumes full responsibility to inform the MSP to block the SIM card or discontinue the mobile phone number in case of loss or theft of the mobile phone. The Customer undertakes to lock his/her mobile phone at all times. In case the Customer's phone is lying unattended and the same not being locked, the Bank shall not be liable for any breach of confidentiality of any data/information sent to the Customer's mobile phone. The Customer acknowledges that he/she is solely responsible for protecting his/her mobile phone/device and the SIM card.
- 3.11 The Customer shall inform the Bank immediately on surrendering/discontinuing the use of the MSPs mobile connection or blocking of his or her mobile phone SIM card. The Customer alone is responsible for ensuring continuation of the Mobile Banking Services on his/her MSPs mobile connection.
- 3.12 The Bank shall not be concerned with and will not be held liable for any dispute that may arise between the Customer and the MSP and makes no representation or gives no warranty with respect to the quality of the service provided by the MSP or the guarantee for timely

delivery/execution/contents of each Alert and or Transactions.

- 3.13 The Customer is duly bound to acquaint himself/herself with the detailed process for using the Mobile Banking Services and the Bank is not responsible for any error and/or omissions of the Customer in connection with the same.
- 3.14 The Bank is not bound to acknowledge the receipt of any query and/or Instructions, nor shall the Bank be held responsible to verify any Instructions, The Bank shall endeavor to provide confirmation of Instructions on a best efforts basis and wherever operationally possible for the Bank.
- 3.15 The Customer is solely responsible for intimating the Bank in writing or by calling the call center/ helpline for any change in his/her mobile phone number and in the absence of the same the Bank will not be liable for sending Alerts or other information over the Customer's mobile phone number in any way, whatsoever.
- 3.16 The Customer acknowledges that the Mobile Banking Services is available via a sensitive electronic system and is dependent on the telecommunications infrastructure, connectivity and services within Pakistan. The Customer accepts that timelines of Alerts sent by the Bank will depend Providers shall be liable for spoofing, errors or delays in Transactions, non-delivery of Alerts, error, loss, distortion in transmission of and wrongful transmission of Alerts to the Customer.
- 3.17 The Bank shall endeavor to provide the Mobile Banking Services on a best efforts basis and the Customer shall not hold the Bank or its Service Providers responsible/ liable for nonavailability of the Mobile Banking Services or any loss or damage caused to the Customer as a result of use of the Mobile Banking Services (including relying on the Mobile Banking Services for the Customer's personal, investment or business purposes). The Bank or its Service Providers shall not be held liable in any manner to the Customer in connection with the use of the Mobile Banking Services.
- 3.18 The Customer accepts that each Alert may contain certain financial and/or non financial Account(s) information relating to the Customer. The Customer authorizes the Bank to send Account(s) related information, though not specifically requested, if the Bank deems that the same is relevant. The Customer further authorizes the Bank to send Alerts containing marketing and promotional information or any other information as the Bank may deem fit from time to time.
- 3.19 By agreeing to the Terms and Conditions of the Bank in relation to Mobile Banking Services, the Customer accepts the option to use enhanced options, as and when they are made available by the Bank, which may include but not be limited to; information requests and purchase of investments and insurance products, other non-Banking products offered by Service Providers, additional bill payments, transferring from one currency to another, international and internal remittances. Upon the Bank offering the enhanced options, the Customer shall be advised the fees charged for the various enhanced options made available. Such options may or may not be charged on a per Transaction basis or otherwise, as determined by the Bank.
- 3.20 Notwithstanding anything contained herein to the contrary, the Bank may, at any time, in its absolute discretion temporarily withdraw or terminate the Mobile

Banking Services, either wholly or in part. Further, the Bank may, without prior notice, temporarily suspend the Mobile Banking Services at any time during which any maintenance work or repair is required to be carried out or in case of any emergency or for security reasons, which require the temporary suspension of the Mobile Banking Services.

- 3.21 The Bank will automatically terminate the Customer's right of access to the Mobile Banking Services should the Customer cease to maintain the Account(s) with the Bank which can be accessed via the Mobile Banking Services or should the access to such Account(s) be restricted by the Bank or any other party for any reason.
- 3.22 The Bank reserves the right to introduce additional services with or without giving any notice to the Customer. The Bank reserves the right to send messages to the registered Mobile phones regarding its products, services or any related matter, without the express consent of the Customer.
- 3.23 Security Codes may be issued by the Bank for access to certain Mobile Banking Services, as required by the bank from time to time and which may be different from those issued for the other Services. The Bank may also issue separate requirements, restrictions, instructions, activation and access procedures, or any additional conditions pertaining to the access and use of the Mobile Banking Services, the Software, and the Security Codes for the Mobile Banking Service, and the transmission of Instructions. All procedures may be varied by the Bank from time to time. The Customer agrees and undertakes to be bound by and to comply with all of the procedures as may be issued by the Bank from time to time in connection with the Mobile Banking Services.
- 3.24 The Customer must secure the Software and the Security Codes installed in the mobile phone with a password. All such passwords and the Security Codes must be kept strictly confidential and must not be disclosed to anyone else. The Customer must not leave the mobile phone unattended or permit any person access to the mobile phone in such a manner that he may access to the Customer's Software, Security Codes or the Mobile Banking Services, whether with or without the Customer's consent.
- 3.25 In the event that the Customer loses or replaces or parts with possession or control of the Mobile Phone in which the Software and/or Security Codes are installed, or if the Customer has reason to believe that someone has accessed the Account(s) using the Software or Security Codes, the Customer must immediately notify and instruct the Bank to revoke the Security Codes immediately, and make a fresh registration for Mobile Banking Services.
- 3.26 The Bank shall be entitled to charge fees for access and use of the Mobile Banking Services. The Bank may also charge applicable fees and service charges for carrying out Transactions using Mobile Banking Services and such charges shall be as notified in the schedule of charges issued by the Bank from time to time.
- 3.27 The Customer accepts that all information and/or Instructions will be transmitted to and/or stored at various locations and be accessed by personnel of the Bank (and Third Parties, as required). The Bank is authorized to provide any information or details relating to the Customer or the Account to the MSPs or any other service providers so far as is necessary to give effect to any Instructions of the Customer.
- 3.28 If any Instruction is submitted via Mobile Banking Services from a mobile number duly registered with the Bank, the Bank may act upon such authority and Instructions and may presume that the same are genuine and accurately represent the wishes of the Customer, even if the Instructions are actually compiled or sent in error or by fraud or negligence or altered or amended by someone other than the Customer, with or without the actual knowledge or Instruction of the Customer. The input of a Security Code may also be an additional requirement for providing an Instruction, if stipulated by the Bank in relation to any specific Mobile Banking Service. The Bank however has no duty to verify the facts and genuineness of the Instructions. The Customer shall agree to hold harmless and indemnify the Bank against any loss, costs, claims, damages, expenses, liabilities or proceedings, which the Bank may incur or suffer as a result of acting upon or delaying to act upon or refraining from acting upon the aforesaid Instructions.
- 3.29 The Customer permits the Bank to issue notices required under these Terms and Conditions, or under relevant legislation or regulations, by making such notification available via the communication systems of the Bank or by sending such notification by email, SMS or similar technologies. Any notices so issued by the Bank, will as far as they contain contractual terms relating to mobile and online banking, also form part of these Terms and Conditions.
- 3.30 Unless clearly stated, all material on the communication system of the Bank merely constitutes an invitation to do business with the Bank. It does not constitute an offer or solicitation to buy or sell, or dispose in any way, of any investment, or to enter into any Transaction.
- 3.31 The Bank may use the services of other organizations to provide information on its Site and for the purposes of the Mobile Banking Services. The Bank shall have no control over this information and therefore cannot make any representations or warranties of any nature as to the accuracy, appropriateness or correctness of such information. The Customer agrees that such information is provided on an "as is" basis and that the Bank will not be directly or indirectly liable for any damages that may arise from the Customer relying on the same.
- 3.32 All quotes, news, market information such as share prices or data shown through Mobile Banking Services, by way of live information feeds are subject to delay by at least 30 minutes unless otherwise stated, The Customer should always select the "refresh" or similar page or screen update function on the Customer's internet browser or handset to ensure that the information the Customer is viewing is the most current.
- 3.33 The Bank shall retain all copyright and other intellectual property rights in all material, including logos and other graphics and multimedia works published on or via the Site or Mobile Banking Services, The Customer is authorized to view and download one copy to a local hard drive or disk, print and make copies of such printouts provided that:
- (i) The material is used for considering or using Mobile Banking Services and for no other commercial purposes.
 - (ii) Any reproduction of any portion of the proprietary material of the Bank includes the Bank's entire copyright notice.
 - (iii) The logos and trademarks used and shown in relation

to Mobile Banking Services provided through the Bank are the registered and unregistered trademarks of the Bank or of third parties. Nothing contained in the provision of online Mobile Banking Services should be construed as granting any license or right to use any trade mark or other intellectual property without the prior written permission of the Bank or that of the relevant third parties, as applicable.

- 3.34 Irrespective of the existence of copyright, the Customer acknowledges that the Bank is the proprietor of all material on the communication system, whether it constitutes confidential information or not, and that the Customer shall have no right, title or interest in any such material.
- 3.35 The Customer must only use and maintain hardware and software of sufficient quality and performance capability so as to enable use of the Mobile Banking Services. The Customer's failure to use such software or hardware may result in a higher security risk and cause the Mobile Banking Services not to operate properly or not at all. Software, if any, made available for download on or via the Mobile Banking Services is governed by license conditions that establish a legal relationship with the licensor. The Customer must indemnify the Bank against any breach of these license conditions. The Bank gives no warranty and makes no representation, whether expressly or implied, as to the quality or fitness for purpose or use of such software.
- 3.36 No warranty, whether express or implied is given that any files, downloads or applications available via Mobile Banking Services are free of viruses, trojans, bombs, time-locks or any other data or code which has the ability to corrupt or affect the operation of the Customer's computer, database, network or other information systems.
- 3.37 Information transmitted via an unsecured link over Mobile Banking Services is susceptible to potential unlawful access, distortion or monitoring. The Customer must comply with the security tips which are published on the Bank's Site from time to time. As the Bank does not have the ability to prevent unlawful activities by unscrupulous persons, the Customer accepts that the Bank cannot be held liable for any loss, harm or damage suffered by the Customer as a result thereof. To limit these risks, the Bank may request independent verification of any information transmitted by the Customer via the Mobile Banking Services from time to time.
- 3.38 The Bank does not warrant that the communication system or Mobile Banking Services will be error-free or will meet any particular criteria of accuracy, completeness or reliability of information, performance or quality. The Bank expressly disclaims all implied warranties, including, without limitation, warranties of merchantability, title, fitness for a particular purpose, non-infringement, compatibility, security and accuracy.
- 3.39 The Customer understands that no written advice or confirmation will be made and issued by the Bank for any Transactions conducted via the Mobile Banking Services, although such Transaction will be recorded in the Statement of Account as issued by the Bank periodically to the Customer.
- 3.40. The Customer agrees that the Bank will not be liable in any manner for, including but not limited to the following:
- (i) Any error, default, delay or inability to act on all or any

of the instruction given through the Mobile Banking Services.

- (ii) Loss of any Instructions given by the Customer through Mobile Banking Services.
- (iii) Unauthorized access by any other person to any Instruction given by the Customer through the Mobile Banking Services.
- (iv) For any loss or damage that may arise or be incurred directly or indirectly by reason of the Bank carrying out any Instructions or failure of the Bank's Mobile Banking Services.
- (v) For any change alteration additions or deletions to these Terms and Conditions, the Services the systems of operation of the Mobile Banking Services or the daily cut-off times as notified by the Bank on its Site.
- (vi) For any partial, incomplete, late or failed transfer or bill payment to any payee nominated under the Mobile Banking Services due to reasons beyond the Bank's control.
- (vii) Any Instructions submitted through the Bank will not be affected and remain valid if operations of Mobile Banking Services is suspended or comes to an end due to any reason.
- 3.41 The Customer agrees that all Instructions transmitted by the Customer's Mobile Phone or otherwise issued by the Customer, though in electronic form shall be treated as written documents. The Customer agrees not to dispute or challenge the validity or enforceability of any such Instruction on the grounds that it is not a written document and the Customer hereby waives any such right in law. All such Instructions are to be considered original documents and the Customer agrees not to challenge the admissibility of any Instruction on the grounds that it is made in electronic form. The Customer acknowledges and agrees that the Banks' records and any records of the Instructions made or performed, processed or effected through the Mobile Banking Services by the Customer or any person purporting to be the Customer, or any record of Transactions relating to the Mobile Banking Services and any record of any Transactions maintained or by any relevant person authorized by the Bank relating to or connected with the Mobile Banking Services, whether stored in electronic or printed form, shall be binding and conclusive on the Customer for all purposes and shall be conclusive evidence of the Instruction and Transactions and the Customer's liability to the Bank, The Customer hereby agrees that all such records are admissible in evidence and that the Customer shall not challenge or dispute the admissibility, reliability, accuracy or the authenticity of the contents of such records merely on the basis that such records were incorporated and/or set out in electronic form or were produced by or are the output of a computer system, and the Customer waives all rights (if any) to object to the same.
- 4. Contact Center Services**
- 4.1 hat the Bank is irrevocably and unconditionally authorized and instructed to accept all Instructions received by the Customer via telephone and the Bank may rely conclusively on the authenticity of and due authorization for any such Instructions and regard the same as emanating from the Customer where the issuer of such Instructions correctly provides such Information for identification purpose as may be specified by the Bank from time to time, including but not limited to:

- (a) The Customer's Computerized National identity card number.
- (b) The TPIN issued by the Bank to the Customer to enable verification of the identity of the Customer and for the Customer to validly issue Instructions for availing any of the Services.
- 4.2 The Bank shall, at its discretion, be at absolute liberty to refuse to accept or give effect to any Instructions given through the Contact Centre Services if in the sole opinion of the Bank, the authenticity of such Instructions is doubtful or the Bank is otherwise unable to give effect to the Instructions for any reason whatsoever.
- 4.3 The Customer shall be responsible to keep confidential the TPIN generated by following the procedure outlined by the Bank and the same will not be disclosed to any other person and the Customer will safeguard it from being divulged and/or being used by any other person(s).
- 4.4 The Customer must notify the Bank immediately should the Customer suspect that the TPIN has been disclosed or if the Customer suspects that the TPIN and/or the Contact Centre Services are being used in a manner not authorized in the Terms and Conditions.
- 4.5 The Customer will not allow any other person to operate the Bank's Contact Centre Services on their behalf. Any person, who through the use of the correct TPIN and other required information can access the Contact Centre Services, will be considered as an authorized Customer. This also applies if this person is not actually a Customer and the Bank is authorized to accept such Transactions and Instructions by the aforesaid. The risk arising from the use and the misuse of the Contact Centre Services is thus solely assumed by the Customer directly and Bank will not be liable in respect of the same.
- 4.6 The Customer hereby permits and authorizes the Bank to use voice recording and IVR key strokes recording procedures in connection with any communication with the Customer, in order to record or verify the Instructions. Any such voice and IVR recording made by the Bank shall constitute evidence of the Instructions so recorded.
- 4.7 The Bank shall not be responsible for any loss or damage if the Customer is unable to gain access and/or use the Contact Centre Services due to reasons beyond its control, including, but not limited to, any computer and telecommunication, electrical, technical or network failure or malfunction.
- 4.8 The Customer understands that the Bank shall endeavour on a best efforts to make available Contact Centre Services for use, however routine maintenance requirements, excess demand on the system and other reasons beyond the control of the Bank may cause disruptions in availability of the Contact Centre Services.
- 4.9 The Customer understands that the Bank may, without prior notice:
- (i) Change the mode of operation of the Contact Centre Services.
 - (ii) Add, remove or otherwise change the Contact Centre Services provided.
 - (iii) Temporarily or permanently discontinue the Contact Centre Services.
 - (iv) Take any other step that may be required by the Bank from time to time.
- 4.10 The Customer shall be responsible, at the Customer's own expense, to ensure that the telephone or any other device through which the Customer accesses the Bank's Contact Centre Services is compatible with the service system used by the Bank. The Bank will not be responsible for any loss, damage or harm arising due to non-compatibility between the Bank's systems and the telephone or other device from where the Contact Centre Services are accessed.
- 4.11 The Customer is aware that telephone connections are not always secure and may be subject to interference, tapping or duplication. The Customer agrees that the Bank will not be responsible for any unauthorized access and use by a third party and of information or Instructions being sent through the Contact Centre Services.
- 4.12 It is the responsibility of the Customer to become acquainted with the process/method of using Contact Centre Services available on the specified number and the Bank shall not be responsible for any errors made by the Customer(s).
- 4.13 Contact Centre Services are intended to be used by the Customer within the geographical limits of Pakistan and in case it is accessed from a foreign country or outside Pakistan the Customer shall be solely responsible to comply with laws and regulations of the same country for the Bank's Contact Centre Services to that country.
- 4.14 The Customer shall be responsible for all claims, actions, damages or losses incurred by the telephone service provider or mobile service provider in relation to accessing and using the Contact Centre Services.
- 4.15 The Customer will be fully responsible for any Instruction(s) given to the Bank in relation to the Services available via the Contact Centre Services and the Bank will not be liable in any manner for any unauthorized fraudulent or erroneous instruction.
- 4.16 The Customer agrees that the Bank may, in its sole discretion, refuse to carry out any Instructions given in relation to the Contact Centre Services if it has reason(s) (in which the decision of the Bank will be final and binding on the Customer) to believe that the Instructions are not genuine or otherwise improper or unclear or raise a doubt or in case any Instructions appear to be illegal or suspicious in any respect.
- 4.17 The Customer understands that no written advice or confirmation will be made and issued by the Bank for any Transactions conducted through the Contact Centre Services, although such Transaction will be recorded in the Statement of Account as issued by the Bank periodically to the Customer.
- 4.18 The Customer agrees that the Bank will not be liable in any manner for, including but not limited to the following:
- (i) Any error default delay or inability to act on all or any of the Instructions given through the Contact Centre Services.
 - (ii) Loss of any Instructions given by the Customer Contact Centre Services.
 - (iii) Unauthorized access by any other person to any Instruction given by the Customer through the Contact Centre Services.
 - (iv) For any loss or damage that may arise or be incurred directly or indirectly by reason of the Bank carrying out any Instructions or failure of the Bank's Contact Centre Services.
 - (v) For any change alteration additions or deletions to these

- Terms and Conditions, the services the systems of operation of the Contact Centre Services or the daily cut-off times as notified by the Bank on the Site.
- (vi) For any partial, incomplete, late or failed transfer or bill payment to any payee nominated under the Contact Centre Services due to reasons beyond the Bank's control.
- (vii) Any Instructions submitted through the Bank will not be affected and remain valid if operations of Contact Centre Services is suspended or comes to an end due to any reason.
- 4.19 On instructions received through Contact Centre Services, the Bank will be entitled to debit any amount along with the applicable charges and fees as applicable from time to time or the Transactions from the Account(s). The Instructions given on Internet Banking Services cannot be reversed. The Bank will not be responsible for, including but not limited to the following:
- (a) To reverse an Instruction given through Contact Centre Services.
 - (b) To accept any Instructions which are conditional or which require the Bank to make payment to a third party earlier (or later) than the time the Bank requires according to normal banking practice.
- 4.20 The Bank will act on Instructions in accordance with cut-off times as notified by the Bank from time to time or in absence of such notice as per the normal banking practice.
- 4.21 The Bank shall be entitled to charge fees for access and use of the Contact Centre Services. The Bank may also charge applicable fees and service charges for carrying out Transactions through the Bank's Contact Centre Services, which charges shall be notified in the schedule of charges issued by the Bank from time to time.

I/We request you to open an Account with the Bank as per the details provided by me/us to the Bank. I/We confirm having read or the same having been read to me/us and I/we further confirm having understood and received copies of the Bank's Terms and Conditions and the Account Opening Form which has been signed by me/us in acceptance thereof. I/We confirm that the information furnished by me/us herein and the documents provided by me/us pursuant thereto are true, correct and complete in all respects. I/We agree to observe and be bound by the Terms and Conditions and any changes, supplements or modifications thereto that may be made by the Bank from time to time, which will be intimated to me/us by the Bank.

I/We also agree that by using any new product or service of the bank, Uwe shall be bound by the Bank's Terms and Conditions applicable to such product or service as disclosed by the Bank, subject to applicable laws and regulations.

| Name Applicant 1 | Name Applicant 2 | Name Applicant 3 |
|------------------|------------------|------------------|
| | | |
| Signature | Signature | Signature |

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| Account Title | |
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| Account Number | |
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