



Habib Bank Zurich plc

Fixed Term Deposit (Wakala) | HBZ
Application Form | Sirat

Branch

Date

/ /

Fixed Term Deposit (Wakala) (Please complete in BLOCK CAPITALS)

Account Title				
Account Number				
Fixed Deposit Currency <i>if other, please specify</i>	GBP	USD	EUR	Other
Fixed Deposit Amount				
Amount in Words				
Fixed Deposit Start Date (DD/MM/YYYY)	/	/		
Fixed Deposit Period (<i>please tick one box</i>)	Monthly	3 Months	6 Months	Yearly
Expected Profit Rate				

Maturity Instructions

Rollover – Reinvest Principal amount plus profit on maturity (subject to clause 6.1)	
Rollover 'Principal' only – reinvest Principal amount only on maturity (profit to be credited to Sirat Current Account) (subject to clause 6.1)	
Credit full amount (Principal plus profit) to Sirat Current Account on maturity	

Confirmation and signature

Authorised signature 1

Authorised signature 2

By signing this Application Form, you will become legally bound by the Sirat Fixed Term Deposit Account Special Conditions (overleaf) and the General Banking Terms & Conditions for Sirat Personal Accounts. For your own benefit and protection, you should read these terms carefully before signing this Application Form. If you do not understand any point, please ask for further information.

Name		
Signature		

For official use only

Relationship manager

Authorised signature

Name		
Signature		

Sirat Fixed Term Deposit Special Conditions

1 Introduction

- 1.1 The term **“Fixed Term Deposit”** (also known as **“Time Deposit”**) refers to funds deposited at the Bank which cannot be withdrawn before the completion of the term or period for which the funds were placed without a prior written approval from the Bank. When the term is over, the funds can either be withdrawn or rolled over (reinvested) for another term. Please see paragraph 5 below for further details about when you can withdraw funds from your Sirat Fixed Deposit Account.
- 1.2 These specific terms and conditions (the **“Special Conditions”**) apply to the Sirat Fixed Term Deposit offered by Habib Bank Zurich plc (the **“Bank”** or **“us”**) based on the Islamic financial structure of Wakala. These Special Conditions apply in addition to, and should be read in conjunction with, (1) General Banking Terms & Conditions for Sirat Personal Accounts or General Banking Terms & Conditions for Sirat Business Accounts (as the case may be) (the **“General Terms”**) (2) all charges and other information that apply to this account as specified in the Tariff Book; (3) the application form or forms that you have signed in respect of this account; (4) the confirmation issued for each deposit; and (5) any other terms that we provide to you from time to time.
- 1.3 These Special Conditions form part of the agreement between you and us.
- 1.4 Where there are differences between these Special Conditions and the General Terms, these Special Conditions shall prevail in relation to the Sirat Fixed Term Deposit.

2 Definitions

- 2.1 Unless the context expressly requires otherwise, capitalised terms used herein but not defined in these Special Conditions shall have the meanings assigned to them in the General Terms. In these Special Conditions, the following terms shall have the meanings hereby assigned to them:

“Actual Profit” means the profit amount realised by the investment of funds placed in your Sirat Fixed Term Deposit as calculated by the Bank from time to time;

“Actual Profit Rate” means the annual amount of profit (expressed as a rate of return) achieved by the investment of funds placed in your Sirat Fixed Term Deposit as calculated by the Bank from time to time;

“Expected Profit” means the profit amount expected to be generated from the investment of funds placed in your Sirat Fixed Term Deposit account;

“Expected Profit Rate” means the annual amount of profit (expressed as a rate of return) we expect to generate for you by investing the funds placed in your Sirat Fixed Term Deposit, as agreed with you from time to time for each deposit;

“Fixed Deposit Period” means the period starting on the day agreed and as advised to you in writing by us and continuing for the period selected by you (and as subsequently agreed in any rollover); and

“Wakala” means an investment agency arrangement whereby you appoint us as your agents to invest your funds in Shariah compliant activities with the aim of generating profit.

3 Wakala Conditions

- 3.1 By opening a Sirat Fixed Term Deposit, you appoint us as your agent, and authorise us, to invest the funds placed in your Sirat Fixed Term Deposit in Shariah compliant investment transactions with the aim of generating profit.
- 3.2 Prior to opening the Sirat Fixed Term Deposit, we shall agree on the Expected Profit Rate applicable to your chosen Fixed Deposit Period. However, such Expected Profit Rate(s) is indicative only and the actual profit you will receive will be based on the actual performance of the investment activities.
- 3.3 You agree that the funds placed in your Sirat Fixed Term Deposit may be consolidated and aggregated in a general pool of funds along with our own funds and with funds received from other Sirat Fixed Term Deposit customers to carry out the investments.
- 3.4 We hereby confirm to you that, in performing our obligations under these Special Conditions, we shall look after your interests and shall act dutifully and in good faith. We further confirm that we shall manage the investment of your funds with the same degree of care as we exercise with regard to similar investments which we would manage for our own account and shall not enter into any investment that might, in our reasonable judgment, return a lower profit than the agreed Expected Profit Rate.
- 3.5 On the Maturity Date, we shall pay the profit amount due to you as per the following:
 - i. if the investment activities achieved an Actual Profit Rate that is equal to, or higher than, the Expected Profit Rate agreed with you, you will receive the Actual Profit capped at the Expected Profit, while we will be entitled to retain any profit amount exceeding the Expected Profit as an incentive for our good performance; or
 - ii. if the investment activities achieve an Actual Profit Rate that is less than the Expected Profit Rate agreed with you, you will receive the Actual Profit which, in this case, will be less than the Expected Profit anticipated by you, while we will receive nothing.
- 3.6 We hereby confirm that we have the system and the means to monitor the performance and the profitability of the investments continuously on a monthly basis. If we believe that the Expected Profit Rate might no longer be achievable, we shall inform you and may offer you a revised (lower) Expected Profit Rate. In such case, you will have the option to either accept the revised Expected Profit Rate or request the termination of the Sirat Fixed Term Deposit where you shall become entitled to receive the deposited funds and any profit accrued up to the termination date.

- 3.7 If we reasonably believe, at any point of time, that the deposited funds are at risk of being lost, we will close the Sirat Fixed Term Deposit account immediately by returning the full deposit amount, together with accrued but unpaid profit to your current account.
- 3.8 If your deposit returns a loss, we shall, as per the UK banking regulations, offer to compensate you for any losses you have suffered. You are entitled to accept or refuse this offer from us.
- 3.9 We would like to draw your attention to the following guidance from our Shariah Advisor in relation to this matter:
- i. if the loss was due to our misconduct, negligence or breach of contractual obligations, your acceptance of our offer will be Shariah compliant.
 - ii. if the loss was not due to our misconduct, negligence or breach of contractual obligations, your acceptance of our offer will be violating Shariah principles.

4 Opening a Sirat Fixed Term Deposit Account

- 4.1 Your Sirat Fixed Term Deposit account can be held in your sole name or jointly (in case of individual customers) or in the name of a legal person/entity (in case of business, corporate, sole trader, partnership, club, society, charity, trust etc).
- 4.2 You must be an existing customer with us to open a Sirat Fixed Term Deposit. This means you must hold a Sirat Current Account in the same currency of the Sirat Fixed Term Deposit you wish to open. You must continue to hold this account while funds are under Sirat Fixed Term Deposit.
- 4.3 We offer different Expected Profit Rates based on the selected Fixed Deposit Period. Please visit your Branch or contact your / Relationship Manager for more information on the prevailing Expected Profit Rates.
- 4.4 The Sirat Fixed Deposit Period will be fixed for the period selected by you when you apply (and as subsequently agreed in any rollover).
- 4.5 The Sirat Fixed Term Deposit is a restricted savings account because withdrawals can only be made once the deposit is matured.
- 4.6 The initial deposit and any future additional deposits must be made in cleared funds from your nominated Sirat Current Account.
- 4.7 The agreed deposit details will be confirmed by a Sirat Fixed Term Deposit confirmation, which will be sent to you once the deposit is placed. You should check the confirmation to ensure that the details are correct. You should inform your relationship manager within 7 days from the date of dispatch in case of any discrepancies, otherwise, we shall assume that it is correct.

5 Withdrawals

- 5.1 You should not place your funds in the Sirat Fixed Deposit if you may need to have immediate access to the funds. In case of withdrawal within 30 days from effective date, no profit will be paid.
- 5.2 Withdrawals and closure by you may only be made upon provision of the full term of the deposit. This means that you cannot withdraw your money from your Sirat Fixed Term Deposit without finishing the agreed term unless we, at our sole discretion, agree to allow you early withdrawal and/or closure.
- 5.3 We reserve the right to revise the Expected Profit Rate agreed with you upon opening the Sirat Fixed Term Deposit and pay you a revised/lower profit rate if we accept to let you withdraw your funds before the agreed maturity date.
- 5.4 Early closure / withdrawal may be permitted in exceptional circumstances such as death of the account holder(s). In such an event, we will return the deposit and shall pay the relevant profit (if any) up to the date of early closure on receipt of a request to do so (subject to satisfactory completion of legal formalities).

6 Renewal

- 6.1 If you choose to rollover your Sirat Fixed Term Deposit(s) in the application form, the deposit will continue to be renewed at the Bank's Expected Profit Rates prevailing at the time of renewal applicable to the Sirat Fixed Deposit Period you selected, until further instructions are provided by you.
- 6.2 For each Sirat Fixed Term Deposit renewal, a Sirat Fixed Term Deposit confirmation will be issued to you. You should check this confirmation to ensure that the details thereof are correct. It shall be deemed correct in all aspects unless we hear from you within 7 days from the date of dispatch. In the event of any discrepancies, you should contact your relationship manager.
- 6.3 If we are not able to get in touch with you on your nominated contact details, we will continue to act on your original instructions given at the time of completing Sirat Fixed Term Deposit application.



Habib Bank AG Zurich is the trading name of Habib Bank Zurich plc.
Registered office: Habib House, 42 Moorgate, London EC2R 6JJ.
Registered in England and Wales: Company registered number: 08864609.

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority
and the Prudential Regulation Authority under registration number 627671.
Habib Bank Zurich plc is covered by the Financial Services Compensation Scheme.