



AL RAYAN BANK



SHARIA COMPLIANCE GUARANTEED
Profit not interest

Banking you can **believe** in

Everyday Saver Account

Special conditions

alrayanbank.co.uk



Contents

Section A

| | |
|-----------------------------|---|
| Words with special meanings | 3 |
|-----------------------------|---|

Section B

| | |
|-----------------------------|---|
| Investment of pool of funds | 6 |
|-----------------------------|---|

| | |
|--|---|
| Your right to pay money in and to withdraw money from your account | 6 |
|--|---|

| | |
|--|---|
| Operating fees and expenses and profit stabilisation reserve contributions | 7 |
|--|---|

| | |
|---------------------|---|
| Our share of profit | 7 |
|---------------------|---|

| | |
|----------------------|---|
| Your share of profit | 7 |
|----------------------|---|

| | |
|-----------------|---|
| Profit and loss | 8 |
|-----------------|---|

| | |
|----------------------|---|
| Our liability to you | 9 |
|----------------------|---|

| | |
|--------------------|----|
| General provisions | 10 |
|--------------------|----|

Section A: Words with special meanings

The **special conditions** set out below apply to the **Everyday Saver Account**. These **special conditions** are in addition to the **consumer conditions** which apply to **our** banking services generally, copies of which **we** gave **you** when **you** first became a customer (further copies are available from **us** on request). The **consumer conditions** and these **special conditions** form the agreement between **us** for the **Everyday Saver Account**. In the event of a conflict between these **special conditions** and the **consumer conditions** these **special conditions** shall prevail.

In the sections of this booklet that follow, words are used that have particular meanings. **We** have put these special words in bold text to help **you** identify them. **You** should also refer to the words with special meanings set out in the **consumer conditions**, as some of those special words might also be used below and are also incorporated. The following are the special words that are defined in these **special conditions**:

| Special word | Meaning |
|---------------------|--|
| account | The Everyday Saver Account |
| calculation date | The last working day in each month |
| calculation period | A monthly period equivalent to a calendar month |
| consumer conditions | The terms and conditions that govern your account as set out in the Consumer Banking terms and conditions booklet (non-business customers) and the Business Banking terms and conditions booklet (business customers) |
| deposit amount | The amount of funds available in your account to be invested by us |

| Special word | Meaning |
|---|--|
| distributable profit | The net income for a calculation period |
| gross income | In respect of each calculation period , all of the revenue generated by the pool of funds during such calculation period prior to any deductions being made |
| net income | In respect of each calculation period , the gross income less any costs, fees and expenses which are to be deducted pursuant to special condition 3.1 of these special conditions |
| our share of profit | The share of profit due to us . The current percentage of our share of profit is 40% of the net income . This is our maximum share of profit but we may in our discretion lower our share of profit |
| pool of funds | The pool of funds that belong to you and our other customers and which may also include funds belonging to us which we may include in the pool of funds to be invested together in short term Sharia compliant investments, products or services |
| profit stabilisation reserve account | An account into which we will pay all profit stabilisation reserve contributions |
| profit stabilisation reserve contribution | In respect of each calculation period , the percentage amount we will deduct from your gross share of profit for payment into the profit stabilisation reserve account |
| profit stabilisation reserve contribution cap | The maximum percentage amount we may deduct from your gross share of profit as set out in clause 5.2(d) of these special conditions . We may in our discretion deduct a lower percentage in certain circumstances |

| Special word | Meaning |
|-------------------------------------|---|
| Sharia Supervisory Committee | The committee we have established comprising of eminent religious scholars to advise us on the Sharia rules and principles upon which your account and all our products and services will operate |
| special conditions | The specific terms and conditions for your Everyday Saver account , as set out in this booklet |
| we, us and our | Al Rayan Bank PLC. Registration No. 4483430. Our registered office is located at 44 Hans Crescent, Knightsbridge, London, SW1X 0LZ |
| withdrawal | A withdrawal from your account which is only completed once we have processed your request to pay money out of your account |
| working day | Any day on which banks are usually open for business in the United Kingdom, excluding Saturdays, Sundays and bank or other public holidays |
| you and your | The person or persons signing the application form for an account and the words " you " and " your " are to be construed according to the context. If your account is held jointly, these special conditions apply to all of you individually as well as together |
| your share of profit | The share of profit due to you after deducting the profit stabilisation reserve contribution , from your gross share of profit under clause 5.2.4 below |
| your gross share of profit | The share of profit due to you from the net income after deducting our share of profit , under clause 5.2.3 below, and before deducting your profit stabilisation reserve contribution |

Section B: Everyday Saver Account

1. Investment pool of funds

- 1.1 The **account** is a Sharia compliant no notice deposit account of no fixed duration. **You** may make payments into and withdrawals from the **account** in accordance with clause 2 below.
- 1.2 The **account** operates on a profit-sharing basis (Mudaraba) and is designed to comply with Sharia principles. **Our Sharia Supervisory Committee** will determine what these Sharia principles are. **We** agree to be bound by **our Sharia Supervisory Committee's** decisions and guidance and in opening the **account** **you** also agree to be bound by their decisions and guidance. See **our** website for related Sharia rules relating to **your account** issued by **our Sharia Supervisory Committee**.
- 1.3 **We** will put monies **you** deposit into **your account** into the **pool of funds** in selected Sharia compliant investments. **We** will at all times ensure that there are sufficient funds available to allow **you** to withdraw the **deposit amount** or any part of it in accordance with clause 2 below.
- 1.4 In opening the **account** **you** acknowledge that **your** money will be consolidated with **our** funds (and the funds belonging to **our** other customers) and will be invested in accordance with these **special conditions**.
- 1.5 To open the **account**, **you** must be at least 16 years of age.
- 1.6 This **account** is designed for personal, business, institution, masjid and charity customers only.
- 1.7 This **account** can be held in joint capacity and these **special conditions** and **consumer conditions** will apply to each party named on the **account**.

2. Your right to pay money in and to withdraw money from your account

- 2.1 **You** can make payments into **your account** by cash, cheque or transfer in accordance with the **consumer conditions**.
- 2.2 **You** can withdraw money from **your account** at any time in cash, cheque or transfer in accordance with the **consumer conditions**.

3. Operating fees and expenses and profit stabilisation reserve contributions

- 3.1 The **pool of funds** will be subject to deductions for direct costs, fees and expenses incurred in investing those funds. Such costs, fees and expenses will not exceed the limit set out in clause 5.2.2 below.
- 3.2 In addition to the deduction of the costs, fees and expenses referred to in clause 3.1 above, **you** authorise **us** to deduct from **your gross share of profit**, as and when required, **a profit stabilisation reserve contribution** for payment into the **profit stabilisation reserve account**. Upon such deduction **you** agree that **you** relinquish any right **you** may have to the monies in the **profit stabilisation reserve account**. The **profit stabilisation reserve contributions** are made by all **our** customers in support of improving **your distributable profits** and for the purpose described in clause 6.3 below.
- 3.3 **We** will exercise reasonable discretion as to when amounts in the **profit stabilisation reserve account** may be used to improve **your share of profit**, but **we** will always follow the guidance of **our Sharia Supervisory Committee**.
- 3.4 If **we** are placed into liquidation following a court order, the balance in the **profit stabilisation reserve account** will be paid to charitable causes **we** select following guidance from **our Sharia Supervisory Committee**.

4. Our share of profit

Our share of profit will be calculated on each **calculation date** for each **calculation period** and will be determined by reference to the percentage rate set out in clause 5.2.3 below.

5. Your share of profit

- 5.1 **We** will pay **you** any **deposit profit** gross, without deducting any applicable income or other tax that **you** are required to pay based on **your** income tax bracket. Any profits **you** earn above **your** Personal Savings Allowance limit will be subject to UK tax and it is **your** responsibility to declare this to HM Revenue & Customs.
- 5.2 On each **calculation date** for the relevant **calculation period** **we** will calculate **your share of profit** in the following manner:
- 5.2.1 First, **we** will calculate the **gross income**;
- 5.2.2 Secondly, **we** will calculate the net income by deducting direct costs, fees and expenses incurred in respect of the investment of the **pool of funds**. The maximum annual percentage that **we** will deduct for such costs, fees and expenses shall be limited to 1.5% of the average balance of the **pool of funds** during the **calculation period**;

-
- 5.2.3 Thirdly, **we** will calculate **your gross share of profit**, which will be limited to a maximum of 60%, by deducting **our share of profit** from **net income**. **Our share of profit** will be limited to a maximum of 40% of the **net income**;
- 5.2.4 Fourthly, **we** will calculate **your share of profit** by deducting a **profit stabilisation reserve contribution**, as and when applicable. The maximum percentage that **we** shall deduct for the **profit stabilisation reserve contribution** will be limited to 20% of **your gross share of profit**; and
- 5.2.5 Finally, **we** will credit **your account** with **your share of profit**.
- We** may from time to time choose to take less than **we** are entitled to take as **our share of profit** and the **profit stabilisation reserve contribution** at **our** discretion. If **we** do so, **we** may take **our** full entitlement on future occasions. If, after applying the profit calculation process outlined in this clause 5.2, there is a profit surplus, **we** will be entitled to retain any such surplus.
- 5.3 **Your share of profit** is calculated in accordance with this clause 5 and will be reflected as an annual profit rate which will be published on **our** website (alrayanbank.co.uk). The profit rate may change from time to time and such changes will be notified to **you** in accordance with the **consumer conditions** as a change to the profit rate for the **account**.

6. Profit and loss

- 6.1 It is a Sharia principle that profit-sharing **accounts** such as the **account** or any other accounts which are operated on the principle of profit sharing involve (a) the potential for **your** capital to make a profit for **you** and (b) the risk that **your** capital could suffer loss if the **pool of funds** administered by **us** returns a loss.
- 6.2 When **your** capital makes a profit, **we** shall account to **you** for that profit in accordance with these **special conditions**.
- 6.3 If **your** capital suffers a loss, **we** shall seek to reduce the level of **your** loss in the following manner:
- 6.3.1 **We** may forego some or all of the fees chargeable by **us** in respect of the investment of the **pool of funds** for the **calculation period** relevant to **your account(s)**; or
- 6.3.2 **We** may draw upon any available balance in the **profit stabilisation reserve account** administered by **us** to make good as much of **your** capital loss as the available balance permits **us** to do.

In accordance with **our** constitution, **we** are prevented from declaring any distribution to **our** shareholders unless **we** are satisfied that there is no shortfall in meeting **your** claim(s).

-
- 6.4 If the **pool of funds** referable to **your** capital return a loss, **we** shall offer to make good the amount of any shortfall that **you** may have suffered. If **you** choose to accept this offer, **you** shall be entitled to receive payment from **us** of the full amount that **you** had previously deposited with **us**. **You** are entitled to refuse this offer from **us**. However, **our Sharia Supervisory Committee** believes that if **you** accept **our** offer to make good the amount of any shortfall, **you** might not be complying with Sharia principles.
- 6.5 In certain circumstances **we** may not be able to pay back to **you** the amount that **we** are obliged under these terms and conditions to pay back to **you**. If the terms of the Financial Services Compensation Scheme (FSCS) apply in these circumstances, **you** may be able to apply to the FSCS for payment of compensation.
- 6.6 If (a) **you** have suffered a loss, (b) **we** have made an offer to **you**, under clause 6.4 above, (c) **you** have accepted that offer, and (d) **we** fail to pay, **you** may be able to apply successfully to the FSCS for payment of compensation. However, if **you** have refused such an offer from **us**, **you** may not be able to apply for compensation.

7. Our liability to you

- 7.1 Should **you** suffer a capital loss due to **our** fraud, gross misconduct or gross negligence, then **we** may be obliged, in accordance with Sharia principles, to make good to **you** any such capital loss on **your account** out of **our** money.
- 7.2 Subject to clause 7.3 and clause 7.5 below, **we** will only be liable for the actual amount of any loss, cost or expense which **you** suffer and which is linked directly to anything **we** are responsible for and which **we** could reasonably predict and is not beyond **our** reasonable control. **Our** liability under this clause 7.2 will be limited to the monetary amount of the relevant transaction in relation to the **account** pursuant to which **our** breach of contract or negligence occurred.
- 7.3 **We** will only be liable to **you** for the losses associated directly with the operation of **your account**. **We** will not be liable for (a) loss of profits, (b) loss of business, (c) loss of goodwill or (d) any form of special damages arising from the operation of the **account**, in all cases whether such liability was reasonably foreseeable or not and whether or not **we** have been advised of the possibility of such loss being incurred.
- 7.4 Where **you** use any third-party aggregation service, **we** will not be liable to **you** for (a) any fraud, (b) mistakes on **your account**, (c) losses that are not directly associated with the operation of **your account**, (d) loss of profits, (e) loss of business, or (f) loss of goodwill, in each case resulting from, caused by or associated with such use of any third-party aggregation service.

-
- 7.5 Nothing in this clause 7 excludes **our** liability for fraud by **us**, **our** staff or agents or **our** liability for death or personal injury caused by **our** negligence or the negligence of **our** staff or agents.
- 7.6 Nothing in this clause 7 excludes **our** liability for losses **you** suffer as a direct result of **our** failure to comply with **our** responsibilities under the Financial Services & Markets Act 2000, as amended and replaced from time to time.

8. General provisions

- 8.1 For training and security purposes **we** may monitor and / or record any telephone instruction given or purported to be given by **you**. **Our** recordings shall be and remain **our** sole property.
- 8.2 Statements will be sent to **you** monthly. **You** can contact **us** for information regarding particular payment transactions at any time after the payment transaction has occurred.
- 8.3 **We** will use English to communicate with **you** throughout **our** dealings with **you** in relation to **your account**.
- 8.4 **You** have the right to cancel **your account** without charge and without giving any reason, within fourteen (14) calendar days from either (a) the day of opening the **account**, or (b) if later the day on which **you** receive the contractual terms and conditions and any other pre-contractual information.
- 8.5 **We** can close **your account** by providing **you** with 60 days' notice.
- 8.6 **You** can close **your account** at any time without notice.
- 8.7 **You** and **we** recognise and agree that the payment and receipt of interest is against Sharia principles and do not form part of any contractual entitlement in respect of this product. **You** and **we** agree that neither of **us** will, in any proceedings against the other, claim interest from the other. **You** and **we** expressly waive and reject any entitlement to recover interest from the other.

If we don't get it right

Al Rayan Bank PLC will endeavour to ensure that you receive the highest standard of service and that you are treated with courtesy at all times. If you are unhappy with any aspect of our service, we would like to know why.

For a copy of our Customer Care leaflet dealing with our complaint handling procedures, please call our Customer Care team on 0800 4086 407.

Membership of the Financial Services Compensation Scheme

Al Rayan Bank PLC is a member of the Financial Services Compensation Scheme.

This scheme may provide compensation, if we cannot meet our obligations. Most depositors including individuals and businesses are covered.

For more information about the Financial Services Compensation Scheme, visit www.alrayanbank.co.uk/fscs

Data Protection

Under the prevailing data protection legislation you have the right of access to your records.

Should you wish to access this right, please contact our customer service team or write to:

Data Protection Officer,
Data Subject Access Requests,
Customer Care Team,
Al Rayan Bank PLC,
24a Calthorpe Road,
Edgbaston,
Birmingham,
B15 1RP

Al Rayan Bank PLC is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Our firm reference number is 229148.
Al Rayan Bank PLC is incorporated and registered in England and Wales. Registration No. 4483430.
Registered office: 44 Hans Crescent, Knightsbridge, London, SW1X 0LZ.



AL RAYAN BANK

Want to **know more**
about any of our
products or services?

Call us on:

0800 4083 084*

Monday to Friday, 9am to 7pm.

Saturday, 9am to 1pm.

*Calls may be recorded for training
and security purposes.

Visit: **alrayanbank.co.uk**

Write to: **Al Rayan Bank, PO Box
12461, Birmingham, B16 6AQ**



Banking you can **believe** in