



AL RAYAN BANK



SHARIA COMPLIANCE GUARANTEED  
**Profit not interest**

Banking you can **believe** in

**Fixed Term Deposit Account**

Special conditions

[alrayanbank.co.uk](http://alrayanbank.co.uk)

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# Section A: Words with special meanings

The **special conditions** set out below apply to the **Fixed Term Deposit Account**. These **special conditions** are in addition to the **conditions** which we gave **you** when **you** first became a customer (further copies are available on request) which also apply and are incorporated into the **Fixed Term Deposit Account special conditions**. In the event of a conflict between these **special conditions** and the **conditions** these **special conditions** shall apply.

In the sections of this booklet that follow, words are used that have special meanings. **We** have put these special words in bold text to help **you** identify what those special words mean when used in this booklet. The following are the special words that are used together with their special meanings:

Special word	Meaning
account	<b>Your Fixed Term Deposit Account.</b>
calculation period	Each <b>quarterly</b> period or if <b>you</b> have chosen to receive <b>your</b> profit at the end of the <b>term</b> a period equivalent to the <b>term</b> of <b>your account</b> .
conditions	The terms and conditions that apply to <b>our</b> banking services as detailed in the Consumer Banking terms and conditions booklet and the Business Banking terms and conditions booklet.
deposit amount	The sum available in <b>your account</b> to be invested by <b>us</b> , and which sum is intended to be a deposit for the purposes of the Financial Services and Markets Act (FSMA) 2000.
deposit profit	The actual profit paid to <b>you</b> on <b>your account</b> .

Special word	Meaning
<b>expected profit rate</b>	The <b>expected profit rate</b> applicable to <b>your account</b> , as published on <b>our</b> website on a monthly basis and the <b>expected profit rate</b> applicable on the <b>start date</b> which prevails on <b>your account</b> .
<b>payment date</b>	The date when <b>your deposit amount</b> matures and is paid back to <b>you</b> together with <b>your deposit profit</b> .
<b>Sharia Supervisory Committee</b>	The committee <b>we</b> have established comprising of eminent religious scholars to advise <b>us</b> on the Sharia rules and principles upon which <b>your account</b> and all <b>our</b> products and services will operate.
<b>start date</b>	The day <b>we</b> receive <b>your deposit amount</b> in cleared funds or such later date as <b>we</b> agree between us, which is the day when <b>your</b> deposit will start and which must be a <b>working day</b> .
<b>Fixed Term Deposit Account</b>	<b>Your Fixed Term Deposit Account</b> or the "account". The <b>conditions</b> and these <b>special conditions</b> apply to <b>your Fixed Term Deposit Account</b> even if the name on the <b>account</b> or the number changes.
<b>Fixed Term Deposit Account special conditions</b>	The <b>special conditions</b> that govern <b>your account</b> described in this booklet.
<b>quarterly</b>	The date which falls three calendar months after the <b>start date</b> and the date which falls at the end of each subsequent period of three calendar months.
<b>term</b>	The fixed period of deposit applicable to <b>your account</b> which <b>you</b> select when <b>you</b> open <b>your account</b> and as advised in your welcome letter.
<b>wakala fee</b>	The fee due to <b>us</b> in respect of <b>your account</b> , as specified in clause 5 of these <b>special conditions</b> .
<b>we, us and our</b>	Al Rayan Bank PLC. Registration No. 4483430. Our registered office is located at 4 Stratford Place, London, W1C 1AT.

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Special word	Meaning
<b>working day</b>	Any day on which banks are usually open for business in the United Kingdom, excluding Saturdays, Sundays and bank or other public holidays.
<b>you and your</b>	The person or persons as individuals, businesses or institutions signing the application form for the <b>Fixed Term Deposit Account</b> and the words <b>you</b> and <b>your</b> are to be construed according to the context.



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# Section B: Fixed Term Deposit Account

## 1. The Fixed Term Deposit Account

- 1.1 This **account** is designed for individuals, businesses, institutions and charities who wish to place deposits in compliance with Sharia principles.
- 1.2 Unlike conventional 'interest paying' deposit accounts, **we** do not pay interest on this **account**. Instead **we** place the **deposit amount** at **our** own discretion in Sharia compliant investments. At the end of each **calculation period** **we** will calculate **your deposit profit** and **we** will credit **your account** with the amount **you** earned during the calculation period. Additional information concerning the operation of **your account** can be found in **our Fixed Term Deposit Account** leaflet, a copy of which **we** will give **you** when **you** open **your account** (further copies available on request).
- 1.3 The procedure to be followed on **your account** is set out in clause 4 of these **Fixed Term Deposit Account special conditions**.
- 1.4 In opening the **account** **you** acknowledge that **your** money will be consolidated with **our** funds including any other funds that belong to **our** other customers, and will be invested in accordance with these **special conditions**.
- 1.5 **You** can open the **account** with **us** in sterling only.
- 1.6 To open this **account** **you** must be at least 16 years of age.
- 1.7 The **account** can only be operated as a personal, business or charity **account**. When **you** open **your account** **you** will be asked to indicate how the **account** is to be operated.
- 1.8 The minimum **deposit amount** is stated on your welcome letter. The **deposit amount** must be made available for us to invest as cleared funds at the **start date** of **your account**.
- 1.9 The **account** is available for a **term**, during which **you** will not have access to **your deposit amount** before the **payment date** of **your account**.
- 1.10 **Your** right to the **deposit amount** and the **deposit profit** from **your account** is personal to **you** and may not be transferred to anyone else.
- 1.11 The **deposit profit** will be paid **quarterly** to **your** Al Rayan Bank's nominated account or **you** have the option to retain the **deposit profit** in **your account** to be paid all together at the **payment date**. **We** may require (if necessary) that **you** have another account (current or savings) with **us** to which **your deposit profit** and **deposit amount** can be paid into.



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- 1.12 **We** can refuse to open the **account** or to accept a deposit without giving **you** any reason.
- 1.13 **We** operate **our accounts** in strict accordance with the rulings and guidance given by **our Sharia Supervisory Committee**. By agreeing to these **account special conditions** **you** agree to be bound by the rules and guidance of **our Sharia Supervisory Committee** with respect to all matters relating to the interpretation and application of Sharia to the **account**.

## 2. Operation of your account

- 2.1 The **account** is operated on the Wakala principle.
- 2.2 **You** agree for the placement of the **deposit amount**, at **our** own discretion, in Sharia compliant investments on an ongoing basis until the end of the term of **your account**.
- 2.3 **You** authorise **us** to enter into any Sharia compliant investments so that **we** may carry out **our** obligations under these **Fixed Term Deposit Account special conditions**.
- 2.4 **We** will not assume, or be deemed to have assumed, any additional obligations to, or to have any special relationship with **you** other than those for which specific provision is made in these **special conditions**.
- 2.5 **You** agree:
- 2.5.1 to pay **us** the **deposit amount**;
- 2.5.2 that by opening **your account** **you** authorise **us** to arrange for payment and collection of funds, and to complete and give any necessary documents or authorisation required in connection with **your account**; and
- 2.5.3 to comply with these **account special conditions** and all other **conditions** that apply to the **account**.
- 2.6 **We** agree:
- 2.6.1 to invest the **deposit amount** in Sharia compliant investments.
- 2.6.2 to calculate the **deposit profit** generated on **your deposit amount** and to credit **your account** with the **deposit profit quarterly** or if **you** have chosen to receive **your deposit profit** at the end of the **term** on the **payment date**.
- 2.6.3 to 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 savings returns **you** earn above **your** Personal Savings Allowance (PSA) limit will be subject to UK tax and it is **your** responsibility to declare this to HM Revenue & Customs. This means that under the PSA limit, basic rate taxpayers (20%) can earn £1,000 in savings profit tax-free, whilst higher rate taxpayers (40%) receive £500 in savings tax-free per annum. Additional rate taxpayers (45%) do not receive any allowance. Please note that this applies to the total savings returns **you** earn from all banks and building societies, not just Al Rayan Bank.

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- 2.6.4 that **we** will use reasonable endeavours to achieve the **expected profit rate** applicable to **your account**, which will be published on **our** website and will be presented as an annual gross per annum at the beginning of every calendar month, by monitoring the return on **our** investments on a daily basis.
- 2.6.5 that if at any point of time during the **term we** reasonably believe that **your deposit amount** is at risk **we** will close **your account** immediately by returning to **your** Al Rayan Bank nominated account the full **deposit amount**, together with accrued but unpaid **deposit profit**.

### 3. Opening your account

- 3.1 **You** can open **your account** using **our** online banking service or by telephone.
- 3.2 **We** may send **you** any communication relating to **your account**, including but not limited to, variations to these **special conditions** in writing.
- 3.3 **We** will only vary these **special conditions** as they relate to **your account** during the **term** if **we** are required to do so to comply with the law or any regulation or code of conduct applicable to **your account** or to reflect a decision of a court or any regulator or ombudsman.

### 4. Procedures for your account

- 4.1 If **you** are a new customer, **you** can open the **account** by completing a personal banking or business banking application form and **Fixed Term Deposit Account** instruction form by post, by telephone or through **our** online banking service. **Our** online application service is available to personal customers only.
- If **you** are an existing customer, **you** can open the **account** by completing the **Fixed Term Deposit Account** instruction form by telephone or through **our** online application service. **Our** online application service is available to personal customers only.
- 4.2 When **you** open **your account** we will tell **you** the **expected profit rate** for **your account**, this expected profit rate will be maintained during the **term** of **your account**. A confirmation notice will be sent to **you** when **your account** is set up. Please see 7.4 for further details.
- 4.3 Subject to 2.6.5, **we** will continue to invest **your deposit amount** until the expiry of the **term**.
- 4.4 **You** will not be able to make any partial or full withdrawal or deposit any further money into **your account** during the **term**.



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- 4.5 **We** will calculate the **deposit profit** generated on **your deposit amount** during the **term of your account**, and pay it to **you** together with the full **deposit amount** in accordance with these **account special conditions**. **We** may rollover **your deposit amount** for another term based on the applicable **expected profit rate** at that date if **you** instruct **us** to do so.
- 4.6 If **you** want **your** funds to be transferred same day into an external account on the **payment date** of **your deposit amount** and **deposit profit**, there may be a cost attached. Please check **our** Tariff List for all charges applicable to **your account**.
- 4.7 It may take up to four (4) **working days** for **your** funds to be credited at the **payment date** to **your** nominated external account by using the relevant payment system.
- 4.8 If the **payment date** has fallen on a non **working day**, the **payment date** will be rolled forward to the next **working day**.
- 4.9 If on the **payment date** of **your deposit amount** **we** do not have any instructions from **you** and **you** have not provided **us** with a nominated account for **your** funds to be transferred to on maturity, **we** will open an instant access savings account for **you** and transfer **your** matured funds on the **payment date** to that account, until such time as **we** receive **your** instruction. The instant access savings account would be subject to the Special Conditions applicable to that account and the **expected profit rate** applicable at that time on the instant access account.
- 4.10 All communications sent to **you** by **us** regarding transactions on **your account** will be sent to **your** UK contact address, marked for **your** attention.

## 5. Our Wakala fee

- 5.1 **We** will agree a nominal **wakala fee** with **you** of £1.
- 5.2 **We** shall be entitled to the **wakala fee** and we shall be entitled to retain any profit generated by investing **your deposit amount** exceeding the **expected profit rate** as an incentive.

## 6. Your right to withdraw money

- 6.1 Money deposited into **your account** will be invested for a fixed term as set out in the **account special conditions** and will not be withdrawn prior to the expiry of the term of the investment. **You** will choose the term **you** want on the instruction form.

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## 7. Our obligation to you

- 7.1 Subject to 7.2 and 7.5 on the next page, **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. Except where the **account** is operated for personal use, **our** liability pursuant to this clause 7.1 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.
- 7.2 **We** will not be liable to **you** for any losses that are not directly associated with any damages arising from the operation of **your account**, loss of profits, loss of business, loss of goodwill or any form of special damages arising from the operation of the **account** whether such liability was reasonably foreseeable or not and whether or not **we** have been advised of the possibility of such loss being incurred.
- 7.3 Where **you** use any third party brokerage or aggregation service, **we** will not be liable to **you** for any fraud, mistakes on **your account**, losses that are not directly associated with any damages arising from the operation of **your account**, loss of profits, loss of business, or loss of goodwill resulting from, caused by or associated with such use of any third party brokerage or aggregation service.
- 7.4 Unless **we** have failed to comply with **our** responsibilities under these **special conditions** **we** will not be liable for any shortfall between the **expected profit rate** applicable to **your account** and the actual **deposit profit** paid at the **payment date**.
- 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.
- 7.7 If **your deposit amount** returns a loss, **we** shall offer to make good the amount of any shortfall that **you** may have suffered. **We** are required by current UK bank regulations and policy, pursuant to clause 7.6, to make this offer to **you**. 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**.
- 7.8 **We** would like to draw **your** attention to the guidance offered by **our Sharia Supervisory Committee**. Their guidance is that if **you** accept **our** offer to make good the amount of any shortfall (set out in **special condition 7.7**), **you** will not be complying with Sharia principles.
- 7.9 In certain circumstances **we** may not be able to pay back to **you** the amount that **we** are obliged to under these terms and conditions. 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.

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- 7.10 If **you** have suffered a loss in respect of which **we** have made an offer to **you** which **you** have accepted (see **special condition 7.7**), **you** may be able to apply successfully to the FSCS for payment of compensation, if **we** fail to make payment to **you** in respect of that loss. If **you** have refused such an offer from **us**, **you** may not be able to apply successfully to the FSCS for payment of compensation in respect of the amount that was previously refused by **you**.

## 8. General provisions

- 8.1 Each provision of these **Fixed Term Deposit Account special conditions** is severable which means that should any individual provision become invalid or contravene any applicable legislation or regulatory requirement, the relevant provision will be deemed to be deleted from these **special conditions** and will have no force or effect but the remaining provisions of the **account special conditions** shall remain in force and effect.
- 8.2 These **special conditions** are in addition to the other **conditions** which also apply.
- 8.3 The laws of England and Wales govern these **special conditions**.
- 8.4 These **special conditions** are provided to **you** in English which is the language **we** will use to communicate with **you** throughout **our** dealings with **you** in relation to **your account**.
- 8.5 Once you have opened the **account**, the agreement between us relating to the **account** may not be cancelled.
- 8.6 We both 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. We both agree with each other that neither of us will in any proceedings against the other, claim interest from the other and we both expressly waive and reject any entitlement to recover interest from the other.

## 9. Statements

- 9.1 Statements may be sent to **you** within ten (10) **working days** after the maturity date for **your account** unless **we** are required by law otherwise. **We** may also, from time to time, send **you** notices regarding **your account**.
- 9.2 All written communications sent by **you** to **us** regarding **your account** should be sent to **our** office at: Al Rayan Bank PLC, PO Box 12461, Birmingham, B16 6AQ.

## 10. Telephone recording

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.



# AL RAYAN BANK

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

Visit:

**alrayanbank.co.uk**

Call us on: **0800 4083 084\***

\*Calls may be recorded for training  
and security purposes.

## 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.

## 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

## 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](http://www.alrayanbank.co.uk/fscs)

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: 4 Stratford Place, London, W1C 1AT.



Banking you can **believe** in