



HBZ BANK LIMITED

(A Subsidiary of Habib Bank AG Zurich)

IIC ISSUANCE APPLICATION

Date:

Branch:

TERMS OF ISSUANCE

Account Name:	
Islamic Parent Account No.:	
SIRAT IIC Account No.:	
Amount:	
Time Period:	
Deposit Instruction:	
Additional Information:	

I / We wish to open a SIRAT Islamic Investment Certificate (IIC) on Mudarabah basis.

I / We have read and understood the Terms & Conditions pertaining to SIRAT Islamic Investment Certificates issued by the bank to enable investors to invest with the Bank, whereby the Bank is authorized to invest my / our funds in any business of the Bank

I / We further agree that the Bank may from time to time amend the said General Terms & Conditions, by providing reasonable prior notice to me / us, and following such amendment, the IIC subscribed by me / us will be subject to the amended General Terms & Conditions.

I / We also confirm having received a copy of your General Terms & Conditions of business and agree to that they will also apply in my / our investment in your SIRAT Islamic Investment Certificate.

Signatory 1

Signatory 2

NOTE: The customer understands that the Bank shall not be held responsible for any erroneous transaction(s) arising out of incorrect, incomplete or illegible details provided by the Customer. In the case of multiple signatories, authorised signatories must sign as per the account mandate

Client Identifying Data (CID)
Version 1.1
04 January 2021



HBZ BANK LTD

(A Subsidiary of Habib Bank AG Zurich)



APPLICATION FOR SIRAT ISLAMIC INVESTMENT CERTIFICATE

TERMS AND CONDITIONS

1. In the Term Deposit Account, (the "Deposit Account") deposits are accepted by the Islamic Banking branch of HBZ Bank Limited (the "Bank") for and on behalf of the depositors (the "Depositors/Rabbul ul Mal") on the basis of Mudarabah.
2. The Depositors/Rabbul ul Mal would be eligible for sharing profit and loss with the bank / Mudarib at the rate to be determined by the Bank/ Mudarib from time to time and Bank's (Mudarib) decision in this regard will be final and binding on the Depositors/Rabbul ul Mal.
3. All deposits in the Deposit Account shall be invested by the Bank/Mudarib in its sole discretion and strictly in accordance with the principles of Islamic Shari'ah. To the extent that there are such profits, Depositors/Rabbul ul Mal will be entitled to profit on monthly basis, on the basis of profit distribution weightage to be declared by the Bank/Mudarib in its sole discretion at the beginning of the period.
4. The gross income is the basis for the distribution of profit in between the Depositor/Rabbul Mal and the Bank/Mudarib. Gross income is calculated after deducting costs and expenses directly incurred in deriving that income. To earn this gross income, the Bank/Mudarib allocates the funds received from the Depositors/Rabbul ul Mal and the funds invested by it as Mudarib, to a deposit pool. These funds from the pool are utilised to provide financing to customers under Islamic modes that include, but are not restricted to, Murabaha, Ijarah and Diminishing Musharakah.
5. The gross income of the pool is distributed among the Depositors/Rabbul ul Mal on the basis of predetermined weightages, announced at the beginning of each month, based on their respective category/tiers. Though the ratio of sharing gross income in between the Depositors/Rabbul ul Mal and the Bank/Mudarib is 20:80 (twenty to eighty), however, Bank/Mudarib may unilaterally reduce its profit sharing ratio for the benefit of the Depositors/Rabbul ul Mal. Gross income to be calculated on average monthly balance of the Depositors/Rabbul ul Mal accounts and disbursed to Depositors/Rabbul ul Mal every month. The Depositor/Rabbul Mal and the Bank/Mudarib are entitled to receive the profit as soon as it is deemed that the operations of Mudarabah pool of funds have led to the realization of gross income.
6. The Bank/Mudarib shall in its sole discretion pay any additional profit to a Depositor/Rabbul Mal from the Bank's (Mudarib's) share of the profit calculated at the relevant time.
7. Any amount allocated as profit/loss by the Bank/Mudarib shall be final and binding on all Depositors/Rabbul ul Mal. No Depositor/Rabbul ul Mal or any other person claiming under him/her shall be entitled to question the basis of determination of such profit/loss.
8. As per the rules of Mudarabah, in the case of loss or losses, the whole deposit pool of Mudarabah shall bear this loss or losses, in the ratio of the respective investment amount of each Depositor/Rabbul Mal.
9. The Depositor/Rabbul Mal shall be liable to reimburse to the Bank/Mudarib its share of loss if any, in respect of any loss incurred on the basis of yearly closing of the books of account of the Bank/Mudarib.
10. Depositors (Rabbul ul Mal) may not withdraw a part or the whole of their deposits prior to the stated maturity and the notice periods therefore. The Bank/Mudarib may in its sole discretion approve the withdrawal of the whole of the deposit or part thereof upon written request by the Depositor/Rabbul Mal and for good cause shown by the Depositor/Rabbul Mal. In such event the Bank/Mudarib shall calculate a provisional profit / loss on the actual term of the deposit.
11. Where no written notice for withdrawal of the deposit is received by the Bank/Mudarib at the end of the stated term of the Deposit, the Bank/Mudarib shall be entitled to re-invest the amount of the Deposit for the same period as the initial deposit and on the same terms.
12. The Depositor/Rabbul Mal will not participate in management or in decision making concerning investment of such deposits by the Bank/Mudarib. The Bank/Mudarib shall solely be involved in investing such funds and administration and management of such funds.
13. The Bank/Mudarib in its sole discretion shall be entitled from time to time to re-structure the profit share methodology on prior notice to the Depositor. The Bank/Mudarib will endeavour to be fair in computing the method of sharing the profits and will apply such methodology consistently amongst all Depositors (Rabbul ul Mal) who hold Deposit Accounts.
14. This account and the principles of profit/loss sharing between the Bank/Mudarib and the Depositor/Rabbul Mal does not constitute a partnership between the Bank/Mudarib and any Depositor/Rabbul Mal and merely serves to record the basis on which the Bank/Mudarib and the Depositor/Rabbul Mal will share in the profits or losses of the funds invested.
15. Should there occur any change in national or international, financial, political or economic conditions, currency availability, exchange controls or other legislation which may affect the transferability or convertibility of any specific currency or which may otherwise prevent the Bank/Mudarib from fulfilling its obligations, the Bank/Mudarib or its other branches shall in no way be held liable for any consequences whatsoever there from if there is no negligence.
16. I/We confirm my/our understanding that (a) the Bank's (Mudarib's) profit/loss sharing scheme is limited to the profit/loss of the business of the Bank/Mudarib as Islamic banker, in South Africa and (b) the Bank/Mudarib alone will decide on the use and investment of the funds credited to my/our account and will determine the profits/loss accruing from any period and will decide the portion thereof to be allocated to my/our account, it being the intent that any such use, investment, determination, decision or allocation may be made by the Bank/Mudarib in such manner and on such basis and in accordance with such principles as the Bank/Mudarib alone may at its sole discretion decide from time to time.

17. The Depositor/Rabbul Mal hereby states that the information it has provided to the Bank/Mudarib in this application is both true and correct and that it acknowledges that the Bank/Mudarib will rely on this information before it concludes an agreement with it. The Depositor/Rabbul Mal hereby consents to the Bank/Mudarib conducting a full credit enquiry on the Depositor/Rabbul Mal. Should the Bank/Mudarib reject the Depositor's (Rabbul Mal's) application, then the Bank/Mudarib undertakes to, upon receipt of a written request in this regard, provide the Depositor/Rabbul Mal with reasons for the rejection of its application.
18. The Depositor/Rabbul Mal shall from time to time provide the Bank/Mudarib with specimen signature(s) of the Depositor/Rabbul Mal or any other person authorised to sign any document(s) on behalf of and shall exercise all powers of, the Depositor/Rabbul Mal. Specimen signature(s) provided to the Bank/Mudarib shall remain valid until revoked in writing and the Bank/Mudarib having confirmed that such revocation has been implemented. The Depositor/Rabbul Mal undertakes to advise the Bank/Mudarib of any amendments and/or additions to the authorised signatory(ies) which will become valid when specimen signature(s) on the appropriate Bank/Mudarib form has been supplied to the Bank/Mudarib and the Bank/Mudarib has confirmed receipt of such new Instructions.
19. The Depositor/Rabbul Mal or any person authorised by the Depositor/Rabbul Mal may sign all documents in connection with any transaction between the Depositor/Rabbul Mal and the Bank/Mudarib. The Bank/Mudarib shall not be liable for any harm, loss, damage, cost or expense (including indirect or consequential loss) which the Depositor/Rabbul Mal may suffer or incur as a result of an authorised communication being acted on by the Bank/Mudarib if, in the Bank's (Mudarib's) reasonable opinion, the communication was such that it purported to originate from an authorised signatory(ies). The Bank/Mudarib is authorised and instructed to honour all requisition and withdrawal slips, payment and transfer Instructions and other documents drawn on the Bank/Mudarib and reasonably purporting to be signed, made or accepted by the Depositor/Rabbul Mal or any authorised signatory(ies) and to debit the Depositor's (Rabbul Mal's) account with the relevant amounts, as well as to debit the Deposit Account in accordance with any Instructions received by the Bank/Mudarib from time to time, which reasonably purports to be given by or on behalf of the Depositor/Rabbul Mal whether the account is in credit or otherwise. The Bank/Mudarib is hereby authorised to hold the Depositor/Rabbul Mal liable for all requisition and withdrawal slips and all agreements, indemnities and documents in connection with usual banking transactions that are or purport to be signed by the Depositor/Rabbul Mal or any authorised signatory(ies). It is accepted that any payments against uncleared effects are in the sole discretion of the Bank/Mudarib and that the Bank/Mudarib is entitled to debit the Deposit Account with such payments should the Bank/Mudarib have credited the said account with any uncleared effects.
20. The Depositor/Rabbul Mal agrees and undertakes to pay all bank charges that the Bank/Mudarib may levy from time to time in accordance with the general practice of the Bank/Mudarib. The Bank/Mudarib reserves the right at any time to change the rate fees charged on any banking facility and any other conditions, bank charges or commission rates relating to such account. The Bank/Mudarib undertakes to provide prior reasonable notice to the Depositor/Rabbul Mal of any such change in the applicable rate of the banking charges charged by the Bank/Mudarib from time to time.
21. The Depositor/Rabbul Mal accepts that a certificate issued by the Bank/Mudarib shall constitute prima facie proof of the amount owing to the Bank/Mudarib. Should the Bank/Mudarib permit that the account becomes overdrawn in whatever manner or should the Bank/Mudarib permit withdrawals against uncleared effects then such conduct will be entirely without prejudice to the Bank/Mudarib and will not be deemed to have created a precedent or constitute a waiver of the terms and conditions contained herein.
22. The Bank/Mudarib reserves the right at any time and in its entire discretion to close the Deposit Account and terminate its business relationship with the Depositor/Rabbul Mal by providing the Depositor/Rabbul Mal with at least ten days' written notice to that effect. In such case any amounts owing to the Bank/Mudarib will become due, owing and payable as stated in these general terms and conditions.
23. The Depositor/Rabbul Mal acknowledges that the Bank/Mudarib will not be obliged to meet any Instruction for payment from the Deposit Account should the Depositor's/Rabbul Mal's Deposit Account not have sufficient funds available.
24. Neither the Bank/Mudarib nor any of its directors, employees, representatives or agents shall be liable for any loss sustained by or damage caused (including indirect, incidental or consequential loss or damage) to any person as a result of anything done or omitted by the Bank/Mudarib. Without limitation to the generality of the foregoing, the Bank/Mudarib shall not be liable for any loss or damage arising as a result of (i) the implication of an Instruction; (ii) the proper fulfilment of any function or obligation as provided for in these terms and conditions; (iii) theft of any nature (including without limitation, robbery, break-in or fraud); (iv) any deficient or forged documentation, or from non-discovery of any forgery or from any act associated with Instructions provided by the Depositor/Rabbul Mal to the Bank/Mudarib; and (v) the use of electronic equipment, fax or postal service by reason of delay, theft, fraud, mistake, distortion or duplication.
25. Should the Bank/Mudarib permit any withdrawals against uncleared effects, the Bank will be entitled to debit the Depositor's (Rabbul Mal's) Deposit Account with such withdrawals should the Bank/Mudarib have credited the Deposit Account with any uncleared effects.
26. The Bank/Mudarib is authorised to debit the Deposit Account of the Depositor/Rabbul Mal, whether in credit or otherwise, with the amount of any indebtedness of the Depositor/Rabbul Mal arising from a payment made or a settlement obligation discharged, or any other indebtedness owing to the Bank/Mudarib by the Depositor/Rabbul Mal, provided that the Deposit Account contains sufficient funds for such payments; failing which the Depositor/Rabbul Mal will reimburse the Bank/Mudarib immediately upon demand.
27. All legal costs incurred by the Bank/Mudarib as consequence of any default of the provisions of these general conditions shall be payable on demand by the Depositor/Rabbul Mal on the scale as between attorney and client and shall include collection charges, the costs incurred by the Bank/Mudarib in endeavouring to enforce such rights prior to the institution of legal proceedings and the costs incurred in connection with the satisfaction or enforcement of any judgement awarded in favour of the Bank/Mudarib in relation to its rights in terms of or arising out of these general conditions. The Depositor/Rabbul Mal consents to the jurisdiction of the Magistrate's Court irrespective of the amount in dispute and selects as the Depositor's (Rabbul Mal's) domicilium citandi et executandi the physical address of the Depositor/Rabbul Mal reflected in this application. The Bank/Mudarib shall at its sole discretion be entitled to refer any disputes arising under or in connection with the Deposit Account to binding arbitration. The arbitrator shall be a Shari'ah scholar agreed between the parties within a reasonable time or failing such agreement a Shari'ah scholar selected by the Bank in its sole discretion of at least 10 (ten) years standing.

28. The Bank/Mudarib undertakes to render bank statements to the Depositor/Rabbul Mal from time to time and the Depositor/Rabbul Mal agrees that unless the Depositor/Rabbul Mal lodges an objection against any bank statement rendered to the Depositor/Rabbul Mal within ten days of despatch by the Bank/Mudarib of such bank statement that the bank statement will then be deemed to be correct in every respect.
29. Subject to any applicable legislation, the Bank/Mudarib as well as any division, affiliated or subsidiary company of the Bank/Mudarib is hereby irrevocably authorised to furnish or to disclose any information with regard to this application and any agreement arising from or as a result of this application, as well as the performance or compliance in respect thereof to any credit bureau and/or any other person, in terms of the Protection of Personal Information Act 4 of 2013.
30. Any credit balance on any of the Depositor's (Rabb ul Mal's) Deposit Account with the Bank/Mudarib and in any currency may at any time in the discretion of the Bank/Mudarib be set off against any other amounts owing by the Depositor/Rabbul Mal to the Bank/Mudarib from any cause whatsoever.
31. Should the Depositor/Rabbul Mal fail to pay any amount due to the Bank/Mudarib then the Bank/Mudarib is authorised and entitled to combine accounts, set off, exercise its lien or to realise any security in such manner as it may in its sole and absolute discretion deem fit, without incurring any liability to the Depositor/Rabbul Mal. The branch of the Bank/Mudarib where the Deposit Account is maintained is the place of performance of the obligations, including payment of monies or funds owing to the Depositor/Rabbul Mal.
32. The Depositor/Rabbul Mal accepts that the Bank/Mudarib will use the Depositor's (Rabbul Mal's) most recent address recorded in the Bank's (Mudarib's) records for all correspondence regarding the Depositor's (Rabbul Mal's) Deposit Account.
33. The Depositor/Rabbul Mal shall bear the risk and any damages suffered as a result or incidental to the use of the post, telephone, telefax, telex, email, telegraph, transport or any other means of transmission, particularly as a consequence of delay, loss, misunderstanding, mutilation or duplication. The Bank/Mudarib reserves the right at any time and entirely in its discretion to amend these general conditions. The Bank/Mudarib undertakes to provide reasonable prior notice to the Depositor/Rabbul Mal of any amendments to these general conditions. No variation or amendment of these general terms and conditions shall be of any force or effect unless reduced to writing and signed on behalf of the Bank/Mudarib.
34. The Depositor/Rabbul Mal hereby indemnifies and holds the Bank/Mudarib harmless against any damage, loss, costs or expenses which the Bank/Mudarib may suffer or incur as a result of the Depositor/Rabbul Mal breaching any of these terms and conditions, including but not limited to: (i) the Depositor/Rabbul Mal not having the required funds available to fulfil any payment Instructions; (ii) not fulfilling the Depositor's (Rabbul Mal's) obligation to deliver such funds pursuant to an Instruction effected by the Depositor/Rabbul Mal; or (iii) the Bank/Mudarib receiving incorrect or unauthorised Instructions from the Depositor/Rabbul Mal, and the Bank/Mudarib acting on such unauthorised Instruction, except in as far as the Bank/Mudarib may act fraudulently or in bad faith in effecting any Instruction, in which case, the liability of the Bank/Mudarib.
35. The Depositor/Rabbul Mal hereby represents and warrants to the Bank/Mudarib that: (i) it has full power and authority (corporate and otherwise) to enter into these terms and conditions and all transactions contemplated herein and to exercise its rights and perform its obligations hereunder; (ii) it has all licenses, approvals, authorisations and consents under all relevant laws, regulations and rules applicable to it for the entering into and performance by it of these terms and conditions and will do nothing prejudicial to the continuation of such licenses, approvals, authorisations and consents; and (iii) the obligations assumed by it under these terms and conditions are legal and valid obligations binding on it in accordance with their terms. These representations and warranties shall be given as at the date of signature of these general conditions and on each date the Bank/Mudarib effects any Instruction on the Depositor's (Rabbul Mal's) behalf.
36. The Bank/Mudarib shall not be bound by any express or implied term, representation, warranty, promise or the like not recorded in these terms and conditions, as may be amended or supplemented in writing from time to time.
37. No addition to, variation or consensual cancellation of these terms and conditions and no extension of time, waiver or relaxation or suspension of any of the provisions of these terms and conditions shall be of any force or effect unless in writing and signed by or on behalf of the Bank/Mudarib.
38. The Bank/Mudarib shall be entitled to cede, assign or delegate any of its rights or obligations under or in respect of the account operated by the Depositor/Rabbul Mal without the prior written consent of the Depositor/Rabbul Mal. To the extent that any such cession, assignment or delegation results in a splitting of claims against the Depositor/Rabbul Mal, the Depositor/Rabbul Mal consents to such splitting of claims.
39. The Bank/Mudarib and the Depositors/Rabbul Mal acknowledge and agree that the principles of the Mudarabah Transaction and applied in this transaction and will be interpreted accordingly in this partnership.

Signed at _____ on this _____ day of _____ 20 _____

Full Name _____

Signature _____

Full Name _____

Signature _____