

1 Introduction

- 1.1 Thank you for choosing to bank with Arab Bank Europe plc. This agreement applies to any Shariah Compliant bank accounts you have with us (each referred to in these Terms and Conditions as an 'Account') and related Islamic Banking-related services we provide in the United Kingdom and forms the basis of the contractual relationship between you and us. It is made up of these Terms and Conditions, the Scale of Charges and any Supplemental Conditions that apply to specific Islamic Banking services or products that we provide to you. Where we are only referring to a specific type of Shariah Compliant account in these Terms and Conditions, we will clearly state this. We will tell you what the applicable Supplemental Conditions are before you open an Account or when you apply for a new service. Eligibility criteria may apply for certain services. If the Supplemental Conditions conflict with these Terms and Conditions, the Supplemental Conditions will apply. Additional or up-to-date copies of these Terms and Conditions, the Scale of Charges and any Supplemental Conditions are available on request and are also available free of charge on our website (www.arabbankeurope.com) and in our branches.
- 1.2 For new customers, by submitting an Account Application (whether online or in paper form), you agree that you have read and understood these Terms and Conditions, the Scale of Charges and any applicable Supplemental Conditions. For existing customers these Terms and Conditions, the Scale of Charges and any applicable Supplemental Conditions supersede any previous written or oral agreements between you and us with respect to any Accounts and Islamic Banking services we provide to you and are accepted by you unless you notify us to the contrary.
- 1.3 If you are not a Micro-Enterprise or Small Charity, the Payment Services Regulations 2017 apply to these Terms and Conditions, except that all the provisions contained in Part 6 and those provisions of Part 7, which are permitted to be disapplied, are excluded to the fullest extent possible.
- 1.4 If you are a Micro-enterprise or Small Charity and you are unhappy with our services:
 - 1.4.1 you have 14 days to cancel your agreement with us. The 14 day period runs from the day after whichever is the later of the date on which your Account is opened and the date on which you first receive copies of these Terms and Conditions, the Scale of Charges and any applicable Supplemental Conditions. You can cancel by writing to us at 35 Park Lane, Mayfair, London W1K 1RB. If you cancel your agreement with us, we will give you your money back with any profit earned (where applicable). We will ignore any notice period and will not impose any extra charges for this change although reduction in profit for early withdrawal of Fixed Term Deposits may apply;
 - 1.4.2 if you do not cancel your agreement, these Terms and Conditions, the Scale of Charges and any applicable Supplemental Conditions take effect on the date that we open an Account for you and shall continue in force until terminated in accordance with paragraph 9.12.

2 Definitions

- 2.1 'We', 'us', 'our' and 'the Bank' means Arab Bank Europe plc whose registered office is at 35 Park Lane, Mayfair, London W1K 1RB. We are authorised by the Prudential Regulation Authority and regulated by the Prudential Regulation Authority and the Financial Conduct Authority (FRN 446951). 'You' and 'your' means you, the entity or organisation in whose name(s) the Account is opened or any person authorised by such entity or organisation in accordance with these Terms and Conditions.
- 2.2 All other defined terms used in this document shall have the meaning given to them in the Definitions Schedule.

3 Alterations

- 3.1 We may change our banking hours. If the variation is significant, in our reasonable opinion, we will give you at least 30 days' notice by writing to you. We may also close or move your branch, which may include moving your branch to another jurisdiction. We will give you at least 12 weeks' notice before we do this. If we close or move your branch we will always also tell you how we will continue to provide services to you.
- 3.2 We may change these Terms and Conditions or any part of the contractual relationship between you and us including:
 - changing the fees and rates set out in our Scale of Charges or any Supplemental Conditions;
 - changing any service we offer; or
 - withdrawing an existing service or a type of Account.

Unless we say otherwise in this paragraph 3, we will always give you at least 2 months' prior notice of any changes.

3.3 We may make the following types of change immediately and without prior notice to you:

- a re-wording of these Terms and Conditions to make them clearer and fairer to you;
- the introduction of a new feature from which you can benefit;
- a change in our Arab Bank Europe exchange rates (these are available on request);
- if you are not a Micro-enterprise or Small Charity: any change that is more favourable to you, such as an increase in the expected profit rate applying to a credit balance (where applicable), or a reduction in a fee or charge, or the introduction of a new feature from which you can benefit; or
- if you are a Micro-enterprise or Small Charity: a change to any expected profit rate where that change is favourable to you (but will notify you of any change in expected profit rate as soon as possible after we have made the change).

3.4 If you are a Micro-enterprise or Small Charity and you object to any of the changes we propose, you may close your Account and terminate these Terms and Conditions in accordance with paragraph 9.12 and you will not incur any additional charges or lose any profit accrued on your Account up to the date of closure. If you do not close your Account with us before the proposed date of the changes to these Terms and Conditions, you will be deemed to have accepted those changes.

3.5 We will give you any Supplemental Conditions that apply before you take up a new service or type of account that you have requested.

3.6 All notices referring to changes regarding these Terms and Conditions will be sent to the business or correspondence address or the email address we hold for you in our records.

4 Contacting you

4.1 We will use the contact details you provide us with to contact you for service-related reasons. You must tell us about changes to your contact details so that we can continue to manage and protect your Account and communicate with you safely and quickly. We will contact you using the details you most recently gave us. This may include using your:

- business or correspondence address (we may send mail to your business address if it is returned from, or you do not respond to, mail sent to your correspondence address);
- landline phone number;
- mobile phone number (including by SMS messaging); or
- email address.

In the event that you opt for hold mail in accordance with paragraph 9.10.3, then paragraph 9.10.4 will apply however we may use any address or contact details we hold for you in the event of an emergency.

4.2 Once we have sent a message to you, we will assume that you have received it. We are not responsible for faults in delivery, transmission, re-transmission or reception of any SMS messages attributable to the local carrier or to third parties.

4.3 Failure to notify us of changes to your contact details in accordance with paragraph 4.1 may result in you not receiving important information we send out, and we may not be able to contact you in an emergency in accordance with paragraph 5.3. We will not be liable for any direct or indirect losses incurred by you as a result of changes to these Terms and Conditions (and for any other matter) if you have failed to update your contact details with us. If we do not hold correct information we may make your Account dormant to protect both you and us. However, in such circumstances, we will inform you of how to reactivate your Account or access your Account balance upon request.

4.4 Except where we have agreed with you in writing to the contrary, all communications between us and you or a person authorised by you in accordance with these Terms and Conditions shall be in English.

4.5 To help us continually improve our service and in the interests of security we may monitor and/or record your telephone calls with us.

5 Security of your account

5.1 It is important for you to take all reasonable precautions to prevent fraudulent use of your Account with us. The care of your chequebooks, debit cards, paying in books, personal security information (including PINs and passwords), statements and other Account documentation is essential to help protect your Account and to prevent misuse by others. If you know or suspect that your chequebook or paying in book have been lost or stolen, or that an unauthorised person may have

come into possession of your Account documents, or your Account is otherwise at risk of being misused, you must tell us immediately by calling us on +44 (0)20 7355 8230 at any time. If you know or suspect that:

- any personalised device we have issued to you; or
- any personalised set of procedures we have agreed with you for instructing us to make payments from your Account might have been lost, stolen, misappropriated or used without your permission, you can also email us free of charge at privatebanking@arabbankeurope.com at any time. We will take action to prevent access to your Account.

5.2 For the security and protection of your Account, you are also required to follow and comply with all instructions and advice we may give you from time to time relating to the safe operation of your Account. These are available at www.arabbankeurope.com.

5.3 If we know or suspect that your Account has been subject to fraudulent activity or a security threat, we shall contact you immediately either by phone or SMS message using the telephone number that you have given to us and/or your email address (if this is how we communicate with you).

6 Compliance with Shariah

- 6.1 You agree that you will not raise any objections regarding matters of Shariah compliance in relation to the Islamic Banking products and services that we provide to you under this agreement. However, nothing in these terms shall exclude or restrict any duty or liability which we may have to you under the rules of the Financial Conduct Authority or that cannot be excluded by law.
- 6.2 All funds held in our Shariah Compliant accounts shall be used in conformity with the rules of Shariah (as applied by us, acting under the guidance and supervision of the Shariah Adviser). This means that we will not use your funds for interest-based or Shariah non-compliant transactions. We will deploy the deposited funds only in Shariah Compliant activities and, depending on your Account type, we may pay profit to your Account with us (as applicable).
- 6.3 Both you and we recognise and agree that the payment and receipt of interest is prohibited in Shariah and accordingly, to the extent that any court in the UK would impose any obligation to pay or receive interest in relation to our Islamic Banking products and services, we each irrevocably and unconditionally expressly waive and reject any entitlement to recover interest from each other.
- 6.4 You agree that if any inconsistency arises between the Shariah Adviser's interpretation of the applicable Shariah principles and rules in relation to the Islamic Banking products and services provided to you under this agreement and those of any other Shariah scholar, we may apply the interpretation of the Shariah Adviser.

7 Current account

- 7.1 Our Shariah Compliant current account is structured as Qard Hassan (an interest-free benevolent loan).
- 7.2 We will be responsible for the safekeeping of the funds placed in the current account and we shall return them (in whole or part as applicable) to you upon your demand (such as when you withdraw cash or transfer funds).
- 7.3 We may deploy the funds you place in the current account into Shariah Compliant activities for our own benefit, but at our own risk. However, we will not pay any extra amount over the sums you deposited in your current account (i.e. we do not offer any profit on credit balances in current accounts).

8 Account opening

- 8.1 An initial payment into your Account must be made within the first 3 months of opening the Account, by cheque, wire transfer or other method of funding the Account (for further information please contact a member of the Private Banking department). If you retain the minimum balance, you will not be charged any Account maintenance charges. However, should your balance fall below the minimum required you will be charged. Please refer to paragraph 9.9 for further information about our charges.
- 8.2 You must provide us with a written document, in a form satisfactory to us, outlining the names, signatures and titles of persons who have authority to bind you in all transactions involving your Account including but not limited to the signing of cheques. You are responsible for notifying us of any changes to the authorised signatories. We will not be bound by any changes until we receive an amended document setting out the new authorised signatories. You will be responsible for the actions or omissions of your authorised signatories.

8.3 The Bank shall incur no liability in the event of a forged signature, or if falsifications are not discovered, insofar as no gross negligence on its part can be established. The Bank is not required to demand the legalisation of signatures.

8.4 We may decline an Account Application. If we do so we are under no obligation to provide a reason or enter into correspondence.

9 Operating your Account

9.1 General

9.1.1 Once your Account has been opened, you can only use your Account as a trading/business account for day to day banking transactions by way of business.

9.2 Instructions to us

9.2.1 We will only accept instructions for your Account from:

- you; and/or
- anyone who has legal right to give us instructions as your agent, for example, your administrator, administrative receiver, liquidator, trustee in bankruptcy or other officially appointed insolvency practitioner if you are insolvent, anyone you have authorised to operate your Account under a Third Party Mandate Form (provided we have accepted that written authority) and anyone authorised to debit your Account by use of a direct debit. We will also accept instructions made via a Third Party Provider and for these purposes, we will treat a Third Party Provider as a person authorised by you.

9.2.2 Unless we have agreed to accept online payment instructions from you via our online banking service, all instructions to us must be made:

- in writing and sent to 35 Park Lane, Mayfair, London, W1K 1RB, or to any future address we may advise you of;
- by email to privatebanking@arabbankeurope.com or to the email address we give you for this purpose (if different);
- by any fax to the number we give you for this purpose; or
- by telephone to +44 (0)20 7355 8230.

We need not acknowledge receipt of any of your instructions or communications to us. Details of the information and identifiers you must give us in order for us to properly execute your payment instructions are set out in paragraphs 9.5.2, 9.6.2 and 9.7.2 below.

9.2.3 When we receive instructions, we may need to complete certain security procedures (designed to detect suspected fraud and money laundering). Once we have completed any necessary security procedures:

- those instructions will form your consent to the execution of a payment or (if applicable) a series of payments of which that payment is one; and
- we will act on any instructions given to us (including an instruction to pay money from your Account) by you or any person authorised by you in accordance with these Terms and Conditions.

9.2.4 If you instruct us to make a payment in a currency other than that in which the Account is denominated, we will use the Arab Bank Europe exchange rate applicable on the date on which your instruction is received. The Arab Bank Europe exchange rate used and any fees applied will be set out in your next statement.

9.2.5 If you wish to withdraw your consent to a payment before it is made, you must give us explicit notice of this using one of the methods set out in paragraph 9.2.2. We may charge you if you revoke a payment instruction once made to us. If you are a Micro-enterprise or Small Charity and you have:

- instructed us to make a payment immediately; or
- given a payee consent to execute a payment immediately; or
- given consent to a Third Party Provider to initiate a payment immediately.

9.2.6 If your instruction relates to a future-dated payment, or a series of future-dated payments (such as standing orders,

direct debits or recurring transactions on a debit card), and you are a Micro-enterprise or Small Charity, you can withdraw your consent up until the end of the business day preceding the day agreed for making the payment. After that, you will only be able to withdraw your consent to a future-dated payment if we agree and (if applicable) if the payee under the relevant direct debit or other future-date payment agrees. If you are not a Micro-enterprise or Small Charity, you will only be able to withdraw your consent to a future-dated payment if we agree and (if applicable) if the payee under the relevant direct debit or other future-date payment agrees.

9.2.7 A payment instruction received using one of the methods set out in paragraph 9.2.2 will be regarded as authorised by you once we have completed our security procedures in accordance with paragraph 9.2.3. A payment instruction which you make (or a person authorised by you in accordance with these Terms and Conditions makes) after 3:30pm in London on a Business Day, or on a day which is not a Business Day, shall be deemed to have been received by us on the next following Business Day. However, if it is an instruction to make a future-dated payment, it shall be treated as received on the date on which the payment is to be made, or if that is not a Business Day, on the next following Business Day after that date.

9.2.8 We reserve the right to reject any instructions and stop the use of any personalised device or set of personalised procedures agreed between you and us which is/are used by you to initiate payment instruction if, in our opinion, it is reasonable to do so due to concerns relating to:

- the security of that personalised device or set of personalised procedures agreed between you and us which is/are used by you to initiate a payment instruction; or
- the suspected unauthorised or fraudulent use of that personalised device or set of personalised procedures agreed between you and us which is/are used by you to initiate a payment instruction.

If we stop the use of such a personalised device or set of personalised procedures, we shall tell you before (or immediately after) doing so and give you our reasons for doing so, unless telling you would be unlawful or compromise reasonable security measures. As soon as the circumstances for stopping the use of such personalised device or set of personalised procedures have ceased to exist, we will allow you to use them again or replace them as soon as practicable.

9.2.9 We may refuse to execute a payment instruction or to initiate a payment out of your Account if the conditions in paragraph 9.5.3 are not satisfied or if:

- we are concerned about the security of your Account;
- we suspect or know that your Account is being used or accessed in an unauthorised, illegal or fraudulent manner;
- you have notified us of a security concern in accordance with paragraph 5.1; or
- we need to do so to comply with the law of any jurisdiction.

If we make such a refusal, we will tell you at the earliest opportunity (unless telling you would be unlawful) and notify you, where possible, of the reasons for that refusal and the procedure for rectifying any factual errors that may have led to our refusal. Where such refusal is reasonably justified, we may charge you for the costs incurred by the Bank in relation to the refusal on an actual cost basis. Your Account may be subject to limitations on the number or value of withdrawals you are allowed to make in a particular period.

9.3 Payments into your account

9.3.1 Money can be paid into your Account through a number of methods:

- electronically (e.g. wire transfer, BACS, SWIFT)
- by cheque (over the counter or by post); and/or
- in cash over the counter at our branches, subject to paragraph 9.3.4.

9.3.2 Any sums which are paid into your Account on a Business Day but which:

- are not in cash; or
- are in a currency other than that in which the Account is denominated;

will normally be credited to your Account on that same Business Day, as long as we receive the incoming funds before our normal cut-off time of 3.30pm. If such sums are paid into your Account later than 3.30pm or on a non-Business Day, they will be credited to your Account on the next Business Day.

- 9.3.3 Any sums paid into your Account by 3.30pm on a Business Day, in cash and in the currency in which the Account is denominated, will be credited to your Account and available immediately after the receipt of those sums. If sums are received later than 3.30pm or on a non-Business Day, they will be credited to your Account and available on the next Business Day.
- 9.3.4 All cash deposits of over a certain limit, require large cash transaction forms to be filled out stating the amount and purpose of payment in accordance with our anti-money laundering and fraud protection safeguards. In addition, any person entering or leaving the European Union with more than ten thousand Euros (€10,000) or currency equivalent must declare these funds to His Majesty's Revenue & Customs ("HMRC"). We reserve the right to decline your deposit with us without appropriate evidence of that declaration being made.
- 9.3.5 Sums paid into your Account in a currency other than that in which the Account is denominated will be converted into the currency in which your Account is denominated using the Arab Bank Europe exchange rate applicable on the date on which the sums are received. The Arab Bank Europe exchange rate and any fees applied will be set out in your next statement.
- 9.3.6 If a payment is fraudulently or mistakenly paid into your Account, the amount of the payment may subsequently be deducted without notice. This may happen even if you have used the funds to make a payment, transferred or withdrawn all or part of them.

9.4 When we can debit money from your account

9.4.1 We may debit money from your Account to cover:

- each withdrawal or payment you request or authorise;
- each cheque and any other item which is paid into your Account but later returned to us unpaid;
- the late payment amount which you may have to pay us in relation to any unarranged overdraft;
- any fee or charge which you owe us on your Account; and
- any loss or actual expense we suffer in connection with your Account to the extent permitted by law.

9.4.2 We may also deduct money from any accounts you hold with us, if we are exercising our right of set-off in accordance with paragraph 9.8.

9.5 Payments out, withdrawals and transfers

9.5.1 You can take money out of your Account by:

- withdrawing cash over the counter in one of our branches or at an ATM;
- writing a cheque on your Account;
- making an electronic transfer (including by direct debit, CHAPS, standing order or our bill payment service where available).

9.5.2 Instructions for making cheque and cash withdrawals are contained in paragraphs 9.6 and 9.7 below, respectively. To facilitate the timely execution of electronic withdrawals and transfers, you must provide us with the following details:

- the correct details of the payee's account provider, including (for non-Euro transfers only) its SWIFT BIC address, sorting code or national bank;
- the payee's account number and IBAN;
- the name and address of the payee to whom the payment is being made;
- our own Account number, name and address (this is a legal requirement and these details will be passed to the payee's account provider); and
- the purpose of the payment.

9.5.3 Unless any of the circumstances in paragraph 9.2.8 apply, we will make payments from your Account if, acting reasonably, we believe that:

- you have authorised such payments in any of the ways set out in these Terms and Conditions;
- the amount of the payment does not exceed any spending limit agreed with you or any limit we set for monitoring or fraud prevention purposes;
- making the payment will not exceed any limitation to which your Account is subject on the number or value of withdrawals that you are allowed to make in a particular period; and
- there are cleared funds in your Account or they could be covered by an unarranged overdraft.

9.5.4 You may only withdraw up to the available balance on your Account. Please ensure you have sufficient funds available in your Account before withdrawing cash on counter, writing a cheque, using your card or setting up an automated payment (e.g. standing order or direct debit). If we receive:

- any cheque drawn by you;
- any debit transaction on your Account; or
- any other payment or withdrawal instruction or request made by you (or by anyone with your authority), that would, if honoured by us, make your Account overdrawn, we will treat this as an informal request from you for an unarranged overdraft and will deal with such request in accordance with paragraph 9.11. If we do not approve such an unarranged overdraft and as a result, or for any other reason, we return a cheque, or do not make payment under a standing order or direct debit, a fee may be charged.

9.5.5 For international transactions, we may send the payment through other banks. We may use the bank of our choice in the country to which the payment is being sent and/or in the country whose currency is being sent. Any charges levied by other banks (including settlement charges) are additional to any charges we apply as set out in paragraph 9.9, and will be advised to you on a case by case basis.

9.5.6 Where you instruct us to make an electronic withdrawal, payment or transfer, and it involves a currency conversion:

- between Sterling and Euro, the amount will be deducted from your Account on the date that the payment instruction is deemed to have been received by us in accordance with paragraph 9.2.7 and will be credited to the payee's account provider by the end of the next following Business Day;
- between currencies which are not Sterling and Euro but where the transfer is to be executed wholly within the European Economic Area, the payment will be credited to the payee's account provider by the end of the fourth Business Day following receipt by us of your instruction;
- which does not fall into one of the categories above, the timeframes for crediting the payee's account may be longer.

9.6 Cheques

We may provide you with a cheque book to enable you to make payments from your Account.

9.6.1 Cheques written by you

If you issue a cheque on your Account, the time taken for the amount to be deducted from your Account will depend on when it is paid in, the currency of your Account, the currency of the cheque issued and the country in which the recipient's account is based.

9.6.2 When writing a cheque:

- you must take all reasonable precautions to prevent anyone else altering it or making a forgery;
- you must clearly write the name of the person you are paying the cheque to and the amount you wish to transfer; and
- you should not write a future date on a cheque. If you do and the cheque is presented for payment before that date, we will decide in our discretion whether to pay or return it. In either case, we will not be liable to you.

9.6.3 If we receive for payment one of your cheques that is more than six months old, we may, but do not have to, pay it.

9.6.4 We will stop/cancel any of your cheques at your request as long as:

- the cheque has not already been paid; and
- you give us sufficient details.

9.6.5 A charge applies for stopping/cancelling any cheques you have issued. We cannot stop or cancel a banker's draft or counter cheque you have asked us to draw up for you.

9.6.6 Cheques paid in by you

We reserve the right to refuse to accept cheques issued on forms that do not comply with the law and regulations in force or with normal practices in the industry.

9.6.7 If a cheque paid into your Account is returned unpaid by the payer's account provider, the amount may be deducted from your Account. We will tell you when this has been done. Depending on why the cheque was unpaid, we will either ask for the payment again from the payer's account provider or return it to you. If you withdraw against a cheque which is later returned unpaid, and the deduction of the amount of the unpaid cheque from your Account would make your Account overdrawn, we will treat this as an informal request for an unarranged overdraft. This request will be dealt with in accordance with paragraph 9.11. If we return an unpaid cheque to you it shall then be your responsibility to exercise your remedies against the issuer of the cheque.

9.6.8 We deal with cheques subject to the rules and clearing processes of the applicable cheque clearing systems. A cheque can be processed using the paper clearing process or using the image clearing process. You will not necessarily know which process will apply when you lodge a cheque to your account since this will depend upon which process is used by us, any collecting bank and the payer's bank at the time when the cheque is presented. It is envisaged that more and more cheques will be processed using image clearing and that eventually all Sterling cheques drawn on a UK bank will be processed using image clearing. If you pay a cheque drawn on a UK based bank into your account, if the image clearing process applies, it will normally take up to 4 Business Days for the cheque to clear. If the cheque is in any other currency and/or it is drawn on a bank based outside the UK, the cheque may take longer to clear into your account depending on the drawer's bank and its location. We deal with cheques subject to the rules and clearing processes of the applicable cheque clearing systems. A cheque can be processed using the paper clearing process or using the image clearing process. You will not necessarily know which process will apply when you lodge a cheque to your account since this will depend upon which process is used by us, any collecting bank and the payer's bank at the time when the cheque is presented. It is envisaged that more and more cheques will be processed using image clearing and that eventually all Sterling cheques drawn on a UK bank will be processed using image clearing. If you pay a cheque drawn on a UK based bank into your account, if the image clearing process applies, it will normally take up to 4 Business Days for the cheque to clear. If the cheque is in any other currency and/or it is drawn on a bank based outside the UK, the cheque may take longer to clear into your account depending on the drawer's bank and its location. If you want to pay a cheque into your Account, it must be made payable to you. Endorsed cheques payable to third parties are not acceptable.

9.6.9 We reserve the right to question you about any credits made by cheque to or withdrawals made by cheque from your Account in accordance with our anti-money laundering and fraud protection safeguards.

9.7 Withdrawals

9.7.1 We will normally deduct cash withdrawals made over the counter from your Account immediately.

9.7.2 In order to withdraw cash at a branch, you will need to confirm your identity using a means that is acceptable to us, quote the 13-digit Account number and sign a withdrawal slip.

9.7.3 Cash withdrawals over certain amounts will require a large cash transaction form to be filled out in accordance with our anti-money laundering and fraud prevention safeguards.

9.8 Set-off

9.8.1 For the purposes of paragraph 9.8, references to 'account' or 'accounts' may also include accounts that are not Shariah Compliant.

- 9.8.2 If we owe you money on an account under this agreement or another agreement with us and you have failed to pay us any amount you owe, we may use the money we owe you to reduce or pay the amount you owe us. This is called a right of 'set-off'. We may utilise the right to set off accounts (whether current, deposit, loan, finance, or of any other nature; whether subject to notice or not and whether in sterling or another currency) in order to meet your obligations or liabilities whether present, future, actual or contingent, primary, collateral or joint. We may also convert currencies for set off if required to do so. We can use our right of set-off without telling you in advance if we reasonably think you will do something to prevent us from obtaining payment by set-off. In all other circumstances we will tell you in advance if we intend to use our right of set-off.
- 9.8.3 For the purposes of cross-currency set-off, we may convert an obligation in one currency to another currency at Arab Bank Europe exchange rate applicable on the date of conversion.

9.9 Bank charges

- 9.9.1 The fees and charges applicable to your Account are set out in the current Scale of Charges which is available, free of charge, on the website (www.arabbankeurope.com). You can also request information about the applicable expected profit rates, Arab Bank Europe exchange rates, fees and charges by telephoning us or by asking our staff at one of our branches. An electronic copy of our Scale of Charges is available on request.
- 9.9.2 We may change our Scale of Charges in accordance with paragraph 3 (above) which sets out your and our respective rights and obligations if we increase our Scale of Charges or introduce new charges. These rights may include a right for you to close your Account and paragraph 9.12 sets out the procedures for such a closure.

9.10 Statements

- 9.10.1 We will send you statements for your Account at monthly intervals or at a frequency you have agreed with us, unless there has not been any movement on your Account, in which case there may be an interval of up to one year between statements.
- 9.10.2 You should check your statements as soon as you receive them and let us know immediately if you think the statement includes any information you believe to be wrong.
- 9.10.3 Should you wish to be excluded from receiving any correspondence from us (including statements), we offer a hold mail service in certain cases. To apply for our hold mail service you will need to sign a hold mail mandate. For information on our hold mail service please enquire at our Mayfair Branch. All applications for the hold mail service are subject to approval by our management. We will not usually approve such applications unless there are special circumstances for requesting this.
- 9.10.4 If you subscribe to the hold mail service you agree to indemnify and reimburse us and all our personnel on demand for and against all losses, liabilities, claims, actions, costs and expenses of any kind that we or they may incur at any time in complying with your request to provide the service. By subscribing to the service, you also agree to waive your rights to take any action or make any claim or request for compensation or damages that may arise from us holding your mail (except for loss caused by fraud or negligence on the part of us or our personnel).

9.11 Overdrafts

- 9.11.1 Borrowing is not permitted on your Account.
- 9.11.2 We do not offer arranged overdraft facilities on Shariah Compliant current accounts.
- 9.11.3 If you authorise or request any instructions, payments or withdrawals from your Account (including those scheduled to leave your Account at a future date) that would cause your Account to become overdrawn, we will treat this as an informal request for an unarranged overdraft.
- 9.11.4 We may decide in our sole discretion to reject or accept your request for an unarranged overdraft. If we accept your request, we shall make the relevant payment or transfer from your Account. This does not constitute an arranged overdraft facility, nor imply that we will allow an overdraft on your Account in the future.
- 9.11.5 Unarranged overdrafts are repayable on demand. You must repay the overdrawn amount immediately, and in any case, no later than one Business Day after your Account is overdrawn. Your Relationship Manager may also notify you if your Account becomes overdrawn.

9.11.6 No interest or fees will be applied if your Account is overdrawn. However, if you do not repay within one Business Day after your Account is overdrawn, you hereby agree to donate a late payment amount, calculated on a daily basis in accordance with the Scale of Charges if we request it. Any late payment amount will be collected by us and donated on your behalf to charitable causes acting under the supervision of the Shariah Adviser.

9.11.7 We will inform you in your statement how much you owe us for that statement period in addition to any due late payment amount. When you deposit money into your Account, we'll use it to cover any late payment amount first.

9.12 Closing your account and terminating these terms and conditions

9.12.1 You may:

- a) close your Account or stop any service you have applied for separately immediately at any time by notifying us that you wish to do so, provided that:
 - all outstanding obligations in respect of that Account, such as cheques and finance facilities, have been fully satisfied in accordance with their terms and conditions; and
 - you have returned to us all debit cards and cheque books in respect of the Account to be closed.

We will not require any charge for Account closure if you have had your Account with us for less than 6 months. After that, we reserve the right to recover the actual and direct costs incurred by us during the Account closure process. Reduction in profit for early withdrawal of Fixed Term Deposits may also apply. These Terms and Conditions shall automatically terminate immediately following closure of the Account by you in accordance with this paragraph 9.12.1(a); or

- b) terminate these Terms and Conditions (subject to paragraph 9.12.4) by giving us at least one month's prior notice in writing. On receipt of that notice from you, we shall close your Account and paragraph 9.12.4 will apply.

9.12.2 We may close your Account upon written notice, at any time and without giving you any reason. If we decide to close your Account we will wherever possible, give you at least one month's notice unless, in our opinion, there are exceptional circumstances; (e.g. we believe you are no longer eligible for the Account, you have given us false information, you or someone else is using the Account illegally or fraudulently, or you are seriously or persistently in breach of these Terms and Conditions).

9.12.3 In the event that your Account has become dormant, we may ask you to provide certain identification documents before your Account can be closed.

9.12.4 Upon closure of your Account under paragraphs 9.12.1(b), 9.12.2 or 9.12.6, you will not be able to use your Account or any services linked to it with immediate effect, any debit cards and cheque books will no longer work, and you must pay us all amounts you owe and return all debit cards and cheque books in respect of the closed Account immediately. If applicable, any charges will be applied on a pro-rata basis until Account closure. These Terms and Conditions will continue to apply to your Account until all cheques drawn on it and other amounts you owe on it have been paid, and all cards and chequebooks have been returned to us, after which they shall terminate immediately.

9.12.5 Subject to these Terms and Conditions, in exceptional circumstances, we may, without prior notice, suspend your right to operate your Account.

9.12.6 Your Account may be closed at the Bank's discretion if it has no balance over a period of 4 months. In such cases a notice of closure will not be issued.

9.12.7 If you breach the agreement between us, we may choose to close the Account and terminate the agreement. If we do not do this straight away, we can still do it later. If your breach creates costs for us, we can claim actual and direct costs from you. This could include the costs of tracing you and taking steps to deal with the issue, enforcing the payment of any money you owe us, as well as any charges for our services you have not yet paid. We will also charge for actual and direct costs related to communicating with you about what has happened, and for enforcing the payment of any money you owe us.

10 Profit

10.1 Depending on the type of Account you hold with us, we may pay profit on your credit balance at the expected profit rate

or rates we agreed with you. Information on our expected profit rates is available on our website (www.arabbankeurope.com) and in our branches. Further information and details can be found in the Supplemental Conditions applicable to the relevant Account.

11 Additional services

- 11.1 We provide additional services alongside and to complement the use of your Account as stated in the Account opening documents.

12 If things go wrong

12.1 Force majeure

We shall not be responsible for any failure or delay in executing an instruction caused by:

- 12.1.1 Abnormal and unforeseeable circumstances the consequences of which would have been unavoidable despite all efforts to the contrary. Examples might include (but are not limited to): acts of God, fires, strikes, terrorism, power failures, intervention by regulators, intervention by or orders issued by any court or the failure or error of any third party or any equipment; or
- 12.1.2 Compliance with our obligations under any other European or UK law, regulation, statute or instrument having similar legislative force or effect.

12.2 Incorrect identifiers

- 12.2.1 If we make a payment out of your Account in accordance with information that you provided to us, we shall only be liable for the execution of the payment in accordance with the information you supplied to us. We shall not be liable to you for non-execution or defective execution of that payment if it transpires that the information you provided to us was incorrect. However, we shall, on request, make reasonable efforts to recover the funds for you and we may charge you for our actual and direct costs in attempting to recover those funds.
- 12.2.2 If we are unable to recover the funds for you, we shall, at your request, provide to you all available relevant information in order for you to pursue repayment yourself.
- 12.2.3 If you are a Micro-enterprise or Small Charity and funds have been credited to your Account in error and we are contacted by the payer's account provider, you agree to our providing that account provider with information about the payment that is necessary for the recovery of the funds.

12.3 Unauthorised or incorrectly executed payments

- 12.3.1 If you think a payment has been processed which has not been authorised by you or has been processed in error, you must contact us immediately (and no later than 13 months from the date of the payment) on +44 (0)20 7355 8230 or by email to privatebanking@arabbankeurope.com.
- 12.3.2 Where permitted by law, we may charge a fee for investigating your claim that a payment has not been authorised or that it has been incorrectly executed.
- 12.3.3 If we have refunded any amount to your Account and we later discover that you were not entitled to a refund, we will treat the refund as a mistake and reverse the transaction by debiting the refunded amount from your Account.

12.3.4 Applicable to micro-enterprises and small charities only

If the unauthorised payment has arisen from the loss, theft or misappropriation of the items that you normally use to access your Account or of any Account documents, PINs or password details, we will refund the amount incurred and restore your Account to the state it would have been but for that payment. However, you will be liable for:

- all payments from your Account if you have acted fraudulently or if you have intentionally or negligently failed to keep safe the items that you normally use to access your Account, your Account documents, PIN or password details;
- up to £35 of any money taken from your Account before you told us about the unauthorised payment. After you have told us, you will not have any further liability for any subsequent unauthorised payments unless paragraph 12.3.4(a) applies.

- 12.3.5 If you have initiated a payment and the intended recipient claims not to have received the money, we will, on request, immediately and without charge make efforts to trace the money and will notify you of the outcome. Unless we can prove that the payment has been received by the intended recipient's account provider, we will refund the amount involved to you as soon as practicable after becoming aware of the issue and in any event no later than the end of the next Business Day and we will restore your Account to the state it would have been in but for the incorrect execution of your payment.
- 12.3.6 If you have initiated a payment and believe that the wrong amount has been transferred or the transfer has been made late, we will, on request, immediately and without charge make efforts to trace it and will notify you of the outcome. If we have executed the payment in accordance with the instructions that you gave us, we shall not be liable to you. If our execution of the payment does not reflect the instructions that you gave us, we will refund the payment amount plus any applicable charges as soon as practicable after becoming aware of the issue and in any event no later than the end of the next Business Day and we will restore your Account to the state it would have been in but for the incorrect execution of your payment.
- 12.3.7 If you have initiated a payment through a Third Party Provider and you think that it has not been made or it has been made incorrectly, we will refund you the amount of the payment and restore your Account to the state in which it would have been had the defective payment not been made as soon as we are aware of the issue. We will be liable to you for any charges for which you have become responsible and any late payment amount you have had to pay as a result of the mistake even where the mistake was by the Third Party Provider. We are entitled to seek recourse from the Third Party Provider if the mistake is attributable to the Third Party Provider. We may seek your assistance where it is reasonable and necessary to do so in order to make such a claim.
- 12.3.8 If you are expecting a payment into your Account as payee and it does not arrive, if the payer's account provider proves that we have received the payment in the correct way, then we will immediately make the amount of the payment available to you by crediting your Account after becoming aware of the issue and in any event no later than the end of the next Business Day.
- 12.3.9 If you have initiated a payment which is to be paid to you (for example if a payment is to be made to you by direct debit), we are responsible for the correct transmission of that instruction to the payer. If we do not transmit the instruction correctly, then as soon as we know this, we will re-transmit it and we will ensure that the amount of the payment is credited to your Account no later than the end of the next Business Day. You can ask us to trace a payment initiated by you that you are supposed to have received free of charge. If we can prove that we correctly transmitted the payment instruction, then we will not be liable for any loss incurred as a result.
- 12.3.10 If a payment has been initiated by a payee, you may be able to claim a refund if the exact amount of the payment was not specified when you gave your authorisation, and the actual amount of the payment exceeds the amount that you could reasonably have expected in the circumstances. However, you will not be able to claim such a refund if:
- a) you gave your consent directly to us for us to execute the payment and, if applicable, information on that payment was provided or made available to you for at least four weeks before the due date for payment; or
 - b) if more than 8 weeks have elapsed between the date of the payment and you requesting the refund from us.

Within 10 Business Days of receiving your request for a refund (or of receiving from you any additional information that we have requested you supply to us) we shall either refund the amount to you in full or justify our reasons for refusing a refund. If we refuse the refund, we shall also indicate the third parties with whom you may escalate that claim if you disagree with our decision.

13 Complaints procedure

- 13.1 We are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Not all products and services are regulated by the Financial Conduct Authority and the Prudential Regulation Authority.
- 13.2 All complaints should in the first instance be made to your Relationship Manager (or the Head of Private Banking) at Arab Bank Europe Private Banking, 35 Park Lane, Mayfair, London W1K1RB. Complaints may be made in writing, via email or by telephone. A full investigation will then be undertaken, with our findings notified in writing to you. If you cannot settle your

complaint with us, you may be entitled to refer it to the Financial Ombudsman Service at the following address:

The Financial Ombudsman Service
Exchange Tower
London E14 9SR

13.3 Important information about compensation arrangements

Arab Bank Europe is covered by the Financial Services Compensation Scheme (FSCS). The FSCS can pay compensation to eligible depositors and/or investors if a bank is unable to meet its financial obligations. Most individuals, small businesses, large businesses and small local authorities are covered by the scheme and are entitled to claim up to £120,000. Any deposits you hold above the limit are unlikely to be covered. In respect of investment business, an eligible investor may be able to claim up to the maximum level of compensation for claims against firms declared in default **on or after 1 April 2019** of £120,000 per person per firm.

For further information about the scheme (including the amounts covered and eligibility to claim) please ask at your local branch or refer to the FSCS website www.fscs.org.uk.

14 General

- 14.1 We may transfer any of our rights and obligations under these Terms and Conditions to any other company or person. Any such transfer will not affect your rights under these Terms and Conditions.
- 14.2 You may not transfer your rights or obligations under these Terms and Conditions to anyone else. Our relationship under these Terms and Conditions is with you. We will not recognise the interest or claim of any other person in respect of these Terms and Conditions, unless we are required to do so by law.
- 14.3 If we choose not to exercise rights under these Terms and Conditions against you we can still do so later. Failure to exercise any of our rights hereunder shall not amount to a waiver of such rights. Only a written waiver of our rights signed by us shall be effective.
- 14.4 We, or any other member of the Arab Bank Group, may take whatever action we consider appropriate to meet any obligations, either in the UK or anywhere else in the world, relating to the prevention of fraud, money laundering and terrorist activity and the provision of financial and other services to persons who may be subject to sanctions. This may include, but is not limited to, investigating and intercepting payments into and out of your Account(s), blocking further activity on your Account(s) and investigating the source of or intended recipient of funds. It may also include making enquiries to establish whether a person is subject to sanctions.
- 14.5 Subject to all other paragraphs of these Terms and Conditions, we will not be liable for any consequential or indirect loss, loss of profits, loss of business, loss of goodwill or any form of special damages arising from the operation of your Account or any services under this agreement, whether such liability was reasonably foreseeable or not and whether or not we have been advised of the possibility of such loss being incurred. We will only be liable to you for any reasonable losses, costs and expenses incurred by you which arise directly from our breach of contract or negligence in relation to your Account or any services under this agreement and if, in the ordinary course of events and with the knowledge we had, we might reasonably have expected such loss to result directly from our breach or negligence. Our liability pursuant to this paragraph will be limited to the monetary amount of the relevant transaction in relation to the Account.
- 14.6 You will indemnify us for any direct or indirect costs, losses, claims, actions, damages, expenses, taxes or duties, incurred by us arising from or in connection with our relationship with you or any services we or any Arab Bank Group member provide for you (if any). For the purpose of this paragraph "us" includes any Arab Bank Group member and includes our or its agents, officers and employees. We will hold the benefit of this indemnity for every such person. Any third party referred to in this paragraph may enjoy the benefit and enforce the terms of this paragraph subject to and in accordance with the terms of these Terms and Conditions and the provisions of the Contracts (Rights of Third Parties) Act 1999.
- 14.7 It is possible that other taxes or costs may exist that are not paid by us or imposed by us. You acknowledge that you are solely responsible for, and that neither we nor any other Arab Bank Group member has any responsibility for, your compliance with any laws, regulations or rules applicable to your use of the services provided by us under these Terms and Conditions including, but not limited to, any laws, regulations or rules, in your or any other jurisdiction, relating to tax, foreign exchange and capital control, and for reporting or filing requirements that may apply as a result of your country of citizenship, domicile, residence or tax-paying status.

14.8 You acknowledge that:

- you gave your consent directly to us for us to execute the payment and, if applicable, information on that payment was provided or made available to you for at least four weeks before the due date for payment; or
- if more than 8 weeks have elapsed between the date of the payment and you requesting the refund from us.

15 Governing law

15.1 These Terms and Conditions are governed by and shall be construed in accordance with English law.

15.2 Except as expressly provided to the contrary in these Terms and Conditions, a person who is not a party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of these Terms and Conditions.

15.3 Even though these Terms and Conditions confer benefits on third parties, we remain free to vary any of its terms without the consent of any third party beneficiary.

15.4 In the case of any action or dispute arising between us, you agree:

- for our exclusive benefit that the English courts in London are to have jurisdiction to settle any disputes which may arise in connection with these Terms and Conditions and that any proceedings arising in connection with these Terms and Conditions may be brought in those courts;
- to waive any defence based on the inconvenience of the forum; and
- to accept that the service of any legal process sent by registered mail to your mailing address will be valid and binding on you.

Nothing in this paragraph limits our right to take proceedings against you in any court of competent jurisdiction nor shall the taking of proceedings in one or more jurisdiction preclude the taking of proceedings in any other jurisdiction, whether concurrently or not.

15.5 You agree that these Terms and Conditions are commercial in nature and you irrevocably waive any immunity you or your property may have from legal action arising from these Terms and Conditions or related Accounts and services. You agree that this waiver includes, but is not limited to, a waiver of immunity from: service of process, any court's jurisdiction, execution, attachment for execution, and pre-judgment attachment.

15.6 You and we waive any right you or we may have to a jury trial in any dispute arising from these Terms and Conditions or relating to any of your Accounts or services provided by us.

Definitions schedule

Account Application	means any form of authority or request under which an Account is opened or maintained by you, in the form prescribed by us;
Account Holder	means each account holder in respect of an Account;
Arab Bank Group	means all branches, subsidiaries, affiliates and sister institutions of Arab Bank plc;
Business Day	means any day (excepting Saturday and Sunday) on which banks are open for business in London and any other geographic locations required to complete the transaction;
Fixed Term Deposit	means a Shariah Compliant deposit which will mature at the end of an agreed period after the initial date of deposit and upon which profit is anticipated to accrue at an expected rate specified by us;
Islamic Banking	means accounts, and other banking products and services offered by the Bank as Shariah Compliant;
Micro-Enterprise	has the meaning given to it in the Payment Services Regulations 2017 as amended;
Qard Hassan	means an interest-free Shariah Compliant benevolent loan;
Scale of Charges	means the document which sets out all of the fees and charges that you have agreed with Arab Bank Europe plc which are applicable to your Account and to all of the relevant services that we provide;
Shariah	means Islamic law;
Shariah Adviser	means an independent Shariah scholar specialised in Islamic finance, appointed to provide Shariah guidance, supervision, and certification for the Islamic Banking products, and services;
Shariah Compliant	means conforming to Shariah principles, requirements, and rules, as per the opinion of the Shariah Adviser;
Small Charity	means any Account with only one account holder;
Supplemental Conditions	means the terms and conditions that apply to any specific type of account or to any of the Islamic Banking products and services provided as part of our relationship with you;
Terms and Conditions	means these Private Banking Terms and Conditions which apply to your Account and our relationship with you;
Third Party Mandate Form	means a form of authority under which a third party is authorised to give instructions in respect of an Account;
References to "written" or "in writing"	include all forms of visible reproduction in permanent form, including electronic messages;
We, us, our	means Arab Bank Europe plc, whose registered office is at 35 Park Lane, Mayfair, London W1K 1RB.

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