

**IMPORTANT NOTICE:**

CUSTOMER IS ADVISED TO READ AND UNDERSTAND THE TERMS & CONDITIONS BEFORE AGREEING TO SUBSCRIBE FOR ANY PRODUCT OR SERVICE AND/OR PARTICIPATING IN ANY OF WAAFI'S CAMPAIGNS AND PROMOTIONS

**1. DEFINITION**

In this Terms & Conditions or "T&C", unless otherwise provided, the following words shall have the meaning as set out below:

"**Waafi Bank**" or "**WAAFI**" means Waafi Bank Ltd. (Company No. LL16778, Licensed Labuan Bank (210135B)) a company incorporated in Malaysia with its registered address at Level 15(A1) Main Office Tower, Financial Park Labuan, Jalan Merdeka, 87000 Federal Territory of Labuan, Malaysia

"**Customer**" means the account holder for CCA.

"**Corporate Current Account**" or "**CCA**" means this product offered by WAAFI based on the Shariah contract of Qard.

"**Qard Contract**" means a contract of lending money by a lender to a borrower where the latter is bound to repay an equivalent replacement amount to the lender. Under the Qard contract, the Customer shall give consent to WAAFI to deal with the whole or any part of any balances in the account as specified by WAAFI. Any profit generated by WAAFI from the use of the funds shall belong to WAAFI. Subject to the terms hereof, WAAFI guarantees payment of the whole sum standing to the credit of the Customer's account upon demand. Any amount received by WAAFI shall be utilised for Shariah-compliant activities of WAAFI.

"**Product Disclosure Sheet**" or "**PDS**" means a sheet containing the relevant information and disclosure of the main terms of the relevant products.

**2. OPENING OF ACCOUNT**

- 2.1. WAAFI reserves the right to stipulate and vary, from time to time, the minimum amount of initial deposit required to open the account. The customer is also required to maintain a minimum balance as specified by WAAFI.
- 2.2. Any application to open an account shall be made by using the prescribed form together with the relevant documents as may be requested by WAAFI. An instruction letter signed by the applicant's authorised signatories may be requested by WAAFI.
- 2.3. WAAFI is authorised to act on all instructions given by the signing instructions stated in the account opening form and the Specimen Signature (or otherwise provided to and accepted by WAAFI). If any instructions are unclear or WAAFI receives conflicting instructions, WAAFI may choose not to act upon any instructions until the conflict has been resolved to WAAFI's satisfaction.
- 2.4. By signing the application form for the opening of the account ("the Product"), the Customer hereby agrees to open the account based on the Qard contract (loan by Customer to WAAFI) subject to the

T&C as determined by WAAFI. Based on the Qard contract, WAAFI is responsible for repaying the monies in full upon demand.

- 2.5. WAAFI may, to the extent permitted by law and Shariah principles accept the opening and continuance of the account.
- 2.6. The CCA may be opened in the currencies specified and determined by WAAFI from time to time.

**3. PARTNERSHIP ACCOUNT**

- 3.1. The following T&C shall apply to a partnership account in all products:
  - a. The liability of the joint accountholder to WAAFI shall be joint and several;
  - b. If the partnership is dissolved, the remaining balance in the account shall be distributed based on the partnership agreement or the court's order;
  - c. Any instruction issued about the operation of the partnership account shall remain enforceable until it is revoked in writing without taking into consideration any amendments made to the constitution or the firm's name and it is applicable without taking into consideration the firm's membership affected by the death of the partner, bankruptcy and retirement or with the entry of the new partner;
  - d. If any instructions from any partners and/or the authorised signatories of the partnership account are ambiguous or WAAFI receives conflicting instructions, WAAFI reserves the right not to act based upon any of the instructions until the conflict has been resolved up to WAAFI's satisfaction, without any liability to the partnership account, the partners and/or authorised signatories of the partnership account; or authorised signatories of the partnership account; and
- 3.2. Any amendment to the mandate would require agreement and signature from all partners. Any request to close the account will be considered valid and acceptable by WAAFI if it is agreed upon and signed by all partners.

#### 4. DEPOSIT

4.1. Deposits may be made via inward transfer from another bank account to the CCA.

#### 5. OUTWARD TRANSFER

5.1. Any outward transfer of funds made from the account may be subject to WAAFI's requirements.

5.2. Outward transfers are allowed subject to the limits and prescribed charges, if any, as set out in the PDS, WAAFI's website and/or any other channels as communicated by WAAFI.

#### 6. FEES AND CHARGES

6.1. WAAFI shall be entitled to charge a fee for any of its services provided to the Customer at the rates imposed by WAAFI. WAAFI shall have the right to debit the Customer's account for the said charges.

#### 7. STATEMENT OF ACCOUNT

7.1. The customer is responsible for verifying entries of all statements of account balance issued/ made available by WAAFI and to notify WAAFI in writing of any error, irregularity, discrepancy, claim or unauthorised debit or credit item whether made, processed or paid out as a result of forgery, fraud, lack of authority, negligence or otherwise by any person whomsoever.

7.2. Unless otherwise notified by the Customer, all statements of account, and balance issued/ made available by WAAFI shall be valid and binding against the Customer. WAAFI shall not be liable for any unauthorised alteration of the statement of account nor its misuse, acceptance or unauthorised use.

#### 8. AUTHORISATION

8.1. WAAFI shall not be responsible or liable for any unauthorised entries in the Customer's account. The Customer shall therefore carefully examine the entries in the account and notify WAAFI of any errors, irregularities, discrepancies, claims or unauthorised debits or items whether made, processed or paid as a result of forgery, fraud, lack of authority, negligence or otherwise by any person whatsoever.

8.2. Failure by the Customer to notify WAAFI in writing of any errors, discrepancies, irregularities or unauthorised claims, debits or transactions in the statement shall be deemed as true and accurate in all respects.

#### 9. RIGHT OF LIEN, SET OFF AND WITHHOLDING OF FUNDS

9.1. WAAFI has the right at any point in time to :

- a. Demand Customer to refund and/or to debit the Customer's account(s) and/or set-off any balances in any account(s) for any overpayment into any Customer's account(s) arising from error, irregularity or omission, whether attributable to WAAFI, in the course

of carrying Customer's instructions or in any other occasions.

- b. set off any money in any of the Customer's accounts including the amount deriving from the profit-sharing investments with WAAFI (whether matured or otherwise) and/or any investment/ deposit products and/or receivables held in any of the Customer's accounts, towards satisfaction of any of Customer's liabilities to WAAFI.

- c. debit the applicable amount from Customer's account without prior consent if Customer is not the intended beneficiary in the following events:

- i. Mistaken payment instruction caused by a third party who initiates the transaction (Originator) that is directed to the wrong recipient, carries the wrong amount, or is duplicated; or

- ii. Erroneous payment instructions that were incorrectly transferred by other financial institutions or WAAFI to other parties which include but are not limited to generating invalid, incorrect, misdirected or duplicated transactions on behalf of Originator due to technical errors or operational errors that are not the fault of the Originator; or

- iii. Erroneous payments caused by the payment system may be due to technical or operational errors that result in incorrect or duplicated transactions; or

- iv. Unauthorised or fraudulent payment instructions that were not initiated by the Originator or transactions which have been induced by dishonest or fraudulent means for the benefit of a party other than the party intended by the Originator.

9.2. In the event there is an amount due, owing and payable by Customer, WAAFI reserves the right to refuse withdrawals of or refuse to discharge any Customer's accounts, balances, and/or funds. WAAFI is authorised to realise (whether at or before maturity) any of Customer's deposits, and/or investment products whatsoever held with WAAFI until all monies due, owing, and payable to WAAFI are fully settled by Customer.

#### 10. INACTIVE/ DORMANT ACCOUNTS/ UNCLAIMED MONIES

10.1. Customers shall transact at least once every six (6) months. WAAFI shall consider the account as dormant if the account is not active for six (6) months from the last transaction date.

10.2. Any credit balance standing to the account which has not been operated for seven (7) years or more will be transferred to the Registrar of Unclaimed Moneys under the Unclaimed Moneys Act (UMA) 1965.

## 11. FREEZING, HOLDING, SUSPENDING AND/OR CLOSING OF ACCOUNT

11.1. WAAFI may freeze, hold, suspend, close and/or place any other appropriate tagging on Customer's account whatsoever and deal with the balances in the Customer's account at WAAFI's discretion upon receipt of the notice of death, insanity, bankruptcy and winding-up or upon being served with an order from the court, relevant authorities, or enforcement agencies, or at WAAFI's opinion proper and necessary to do so (where it is final and binding).

11.2. WAAFI may also close/ terminate the account upon the occurrence of any of the following events:

- a. The Customer is adjudged bankrupt or in liquidation; or
- b. Outward transfer by the Customer of all balances in the account; or
- c. The Customer commits a breach of any of the T&C herein; or
- d. The Customer does not accept any alteration and amendment to the T&C, and the provision under Clause 12.2; or
- e. Instruction from any law enforcement agencies; or
- f. The Customer fails to ensure that the source of funds does not become fully Shariah non-compliant; or
- g. Any other events as communicated by WAAFI from time to time

## 12. ADDITIONAL TERMS AND CONDITIONS

12.1. The accounts shall further be governed by and subject to the rules, regulations and guidelines issued by Labuan Financial Services Authority (Labuan FSA) from time to time. The Customer agrees that the services currently and/or at any time offered by WAAFI to the Customer shall be dependent upon and subject to the said rules, regulations and guidelines.

12.2. WAAFI shall be entitled to vary or amend the terms and/or conditions of this T&C subject to the Shariah rules and principles, and such amendments and variations shall have similar effect as those herein before referred to in this T&C and nothing herein shall be construed to restrict or curtail or prejudice any of the rights of WAAFI herein to vary or amend the terms and/or conditions without the necessity to obtain the Customer's consent or confirmation.

12.3. If there is any change in the Customer's data, the Customer shall notify WAAFI immediately. This is important to ensure that all communications reach the Customer promptly.

12.4. If any of the provisions in these T&Cs is invalid, illegal and unenforceable under any applicable law or for any reasons whatsoever, the legality and enforceability of the remaining provisions shall not be affected.

## 13. DISCLOSURE OF INFORMATION

13.1. WAAFI will not reveal the personal data of the Customer including address, telephone number or email address to any external party other than the parties listed below (the "Authorised Parties") other than for the purpose connected with the operation of the Customer's account, unless WAAFI has the Customer permission, or is under either a legal obligation or any other duty to do so:

- a. Any officer, employee, agent or director of WAAFI which includes the holding company, its subsidiaries, associated companies, affiliates, or representatives;
- b. Relevant third parties such as professional advisers, strategic business partners and alliances, service providers, insurers/Takaful operator or insurance/Takaful brokers, outsourced agents, merchants, vendors, business partners and business agents who supports the operational activities of WAAFI and who are under legal obligation to the confidentiality of Customer's data; or
- c. Any actual or potential participants or assignee, novated or transferee of WAAFI's rights and/or obligations under any transaction between WAAFI and Customer (or any agents or professional advisers); or
- d. Any rating agency or direct/indirect provider of credit protection to WAAFI; or
- e. Any party as required by any law or any government, quasi-government, administrative, regulatory/supervisory body or authority, court or tribunal; or
- f. Any credit reference agency that WAAFI uses for credit assessment or credit review of the Customer and parties related to the facilities provided by WAAFI; or
- g. Any financial crime references agencies, other financial institutions and any of their respective agents;

13.2. The Customer hereby expressly consents to such disclosure and confirms and declares that the terms contained therein shall be subject to the Privacy Notice in connection with the Personal Data Protection Act 2010 signed with WAAFI and in the event of any inconsistency between the terms

contained herein with the terms as set out in the Privacy Notice, the T&C in the Privacy Notice shall prevail.

13.3. The Customer further acknowledges that the information provided by Customer to WAAFI including the information regarding the Customer and any reportable account(s) may be shared with the tax authorities of the country/ jurisdiction in which this account(s) is/are maintained and/or exchanged with any tax authorities of another country/ jurisdiction or countries/ jurisdictions in which the Customer may be the tax resident under intergovernmental agreements in which WAAFI must exchange any account information.

**14. ANTI-MONEY LAUNDERING AND COUNTER-FINANCING OF TERRORISM**

14.1. To comply with local or foreign law, regulations, voluntary codes, directives, judgments or court orders, and any authorities, regulators or enforcement agencies, policies, good practice, government sanctions or embargoes, reporting requirements under financial transactions legislation and demands or requests of any authority, regulator, tribunal, enforcement agencies, exchange bodies, WAAFI may:

- a. Be prohibited from entering or concluding transactions involving certain persons or entities (e.g. person or entity that is itself sanctioned or connected to or dealing with (directly or indirectly) any person or entity sanctioned under economic and trade sanctions imposed by any regulator in any jurisdiction).
- b. Report suspicious transactions or potential breaches of sanctions to authority in any jurisdiction to which WAAFI may need or decide to disclose. Transactions impacted include those that may:
  - i. Involve the provision of finance to any person involved or suspected of involvement in terrorism or any terrorist act; or
  - ii. Be relevant to the investigation of an actual or attempted evasion of tax law, investigation of or prosecution of a person for an offence against any applicable law; or
  - iii. Involve persons or entities which may be the subject of sanctions.
- c. Intercept and investigate any payment messages and other information or communications sent to or by the Customer or on behalf of the Customer and may delay, block or refuse to make any payment and payment screening may cause a delay in processing certain information.

- d. Take any action it believes necessary, including freezing of funds, preventing the operation of an account, refusing a request for funds from the Customer, not allowing the Customer to use a product, or delaying or cancelling a transaction. WAAFI is not required to notify the Customer until a reasonable time after it is permitted under those laws or policies. WAAFI will not be liable for any loss arising out of any action taken or any delay or failure by WAAFI, in performing any of its duties or other obligations,
- e. Not to accept any transactions from or to Customer's account if WAAFI has a reason to believe or is made aware of by third parties or relevant authorities that the Customer's account is being used for or implicated in fraud, potential fraud, financial crimes, illegal activities, soliciting illegal financial investment schemes, money laundering or terrorism financing activities. WAAFI too shall (subject to the extent permitted by law), reserve the right to close, freeze or otherwise deal with the Customer's account as necessary.

**15. GOVERNING LAW**

15.1. This T&C shall be governed by the laws of Malaysia.

By signing below, I/we acknowledge that I have read these Terms & Conditions, and fully understand and accept in terms.

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Signatory I

Name :  
Date :

\_\_\_\_\_  
Signatory II

Name :  
Date :