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Internship Report on General Banking Activities of Al-Arafah Islami Bank Limited

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Letter of Transmittal

26 October, 2022

To

Ms. Sunjida Khan

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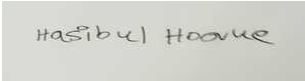
Subject: Submission of Internship Report

Dear Madam,

With due respect, it is my great pleasure to submit the internship report entitled 'An Analysis of General Banking Activities of AL-Arafah Islami Bank Limited'. I have tried my level best to complete this report with the necessary information and suggested proposal that you provided me. I also declare that this report is an original work.

I, therefore, pray and hope that you would be kind enough to accept the report and oblige thereby.

Sincerely yours



Hasibul Hoque

Hasibul Hoque

ID: 191-11-6066

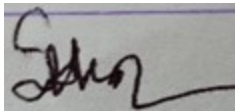
Supervisor Declaration

To Whom It May Concern

This is to clarify that Hasibul Hoque, a student of the BBA program of Daffodil International University bearing ID 191-11-6066 has successfully completed the internship report on 'General Banking Activities of Al-Arafah Islami Bank Limited'.

This report supports the topic title and fulfills the entire requirements. This report is an original work completed under my supervision and is free from plagiarism.

He is permitted to submit the Report.



Ms. Sunjida Khan

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An Analysis of General Banking Activities of AL-Arafah Islami Bank Limited

Author: Hasibul Hoque

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Acknowledgment

I would like to express my sincere gratitude to my supervisor Ms. Surjida Khan for her excellent guidance throughout the journey of making this report.

Executive Summary

The report is made on the basis of my three month internship program at Al-Arafah Islami Bank Limited. I have worked in the general banking section there. I have learned about the general banking activities deeply from this internship program.

The whole report is divided into four parts. Part i includes introduction and overview of AL-Arafah Islami Bank Limited. Part ii includes objectives of the study and methodology. Part iii includes financial highlights, general banking activities and deposit products. Finally part iv includes findings, recommendations, conclusion and bibliography.

The general banking section of any bank is the busiest section of the bank. I have tried my level best to show what I have experienced working in the general banking section of Al-Arafah Islami Bank Limited. I hope the report is beneficial for the readers who want to know about the general banking section of the bank.

Chapter i

Introduction

The word 'Bank' was probably derived from the word 'bench' as during ancient time Jews used to do money lending business sitting on long benches. Even though banks do many things, their prime role is to take in funds—called deposits—from those with money, pool them, and lend them to those who need funds. Banks are intermediaries between depositors (who lend money to the bank) and borrowers (to whom the bank lends money). To know about banking deeply it is necessary to know the roots of it which is general banking. One should know about general banking before knowing about the other aspects of banking as it will make his or her core knowledge strong which will be helpful for him or her to understand the other aspects more clearly. In this report the general banking activities of Al-Arafah Islami Bank Limited is described precisely.

Overview of Al-Arafah Islami Bank Limited

Profile

With the objective of accomplishing success here & hereafter by chasing the way directed by Allah and the path shown by His Rasul (SM), Al Arafah Islami Bank Ltd was established (registered) as a private limited company on 18 June 1995. The foundational ceremony took place on 27 September 1995. The certified capital of the Bank is Tk.15000.00 million and the paid up capital is Tk. 10440.22 million as on 31.12.2018. Renowned Islamic Scholars and pious businessmen of the country are the sponsors of the Bank. 100% of paid up capital is being owned by indigenous shareholders.

The equity of the bank stood at Tk. 2348.32 crore as on 31 December 2018, the manpower was 3682 as on 31 December 2018 and the number of shareholders was 25793 as on 31 December 2018. It has accomplished an uninterrupted profit and stated a good dividend over the years. High eminence customer amenity through the amalgamation of modern technology and new products is the instrument of the bank to attain success. The bank has an assorted collection of sensibly tailored products and services to mollify customer needs.

The Bank is committed to contribute significantly to the national economy. It has made a positive contribution towards the socio economic development of the country with 184 branches of which 25 is AD throughout the country.

Vision

To be a pioneer in Islami Banking in Bangladesh and contribute ominously to the evolution of the national economy.

Mission

- Attaining the satisfaction of Almighty Allah both here & hereafter.
- Spread of Shariah Based Banking Practices.
- Eminence financial services espousing the latest technology.
- Fast and proficient customer service.
- Maintaining high standard of business ethics.
- Balanced growth.
- Steady & competitive return on shareholders' equity.
- Inventive banking at a viable price.
- Attract and retain quality human resources.
- Spreading competitive compensation packages to the employees.
- Strong assurance to the growth of national economy.
- Involving more in Micro and SME financing.

Commitments

- The bank is a customer focused modern Islamic Bank which is sound and steady in growth in both mobilizing deposit and making quality investment to keep its position as a leading Islami bank in Bangladesh.
- To convey financial services with the touch of their heart to retail, small and medium scale enterprises, as well as corporate clients through their branches across the country.
- Their business creativities are planned to match the changing trade & industrial needs of the clients.

Chapter ii

Objectives of the study

- To know about the general banking activities of Al-Arafah Islami Bank Limited
- To know about the deposit products of Al-Arafah Islami Bank Limited
- To identify the problems related with general banking
- To recommend necessary steps to overcome the limitations.

Methodology

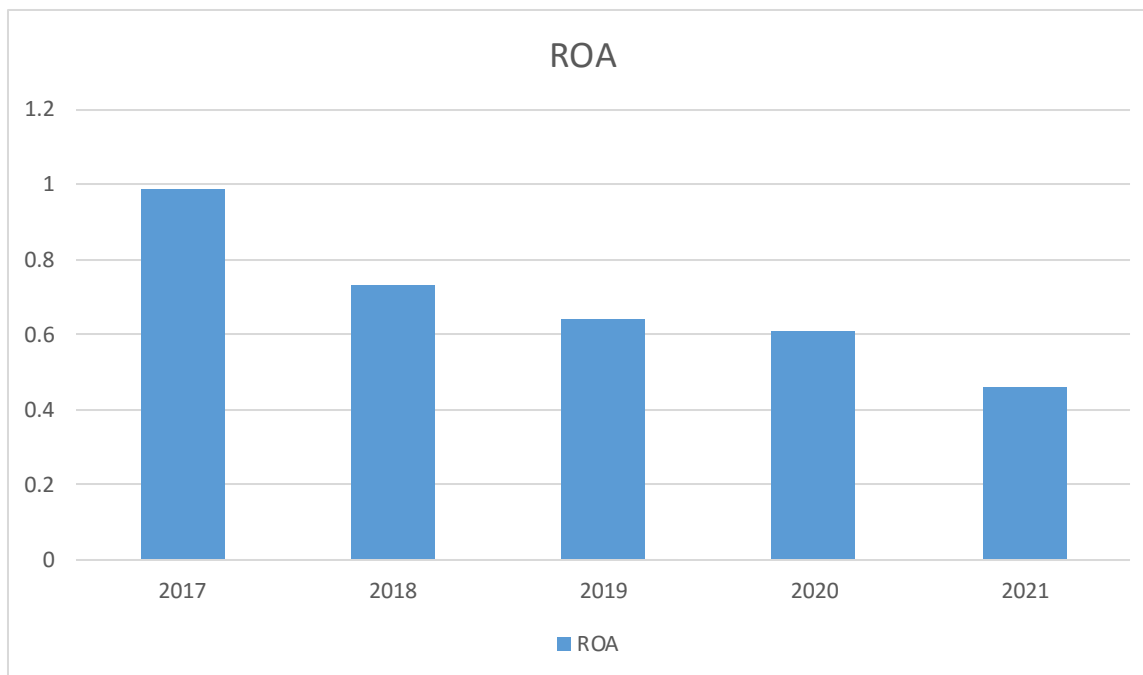
To make this report both primary data and secondary data have been used. The primary data includes- Face to face interaction with the officers of the bank, informal conversation with the client, practical work experiences from the general banking desk and the relevant file study as supplied by the officer's concerned. The secondary data includes- Annual reports of AIBL & Website of AIBL.

Chapter iii

Financial Highlights

ROA (Return on Asset) = Net Income / Total Asset

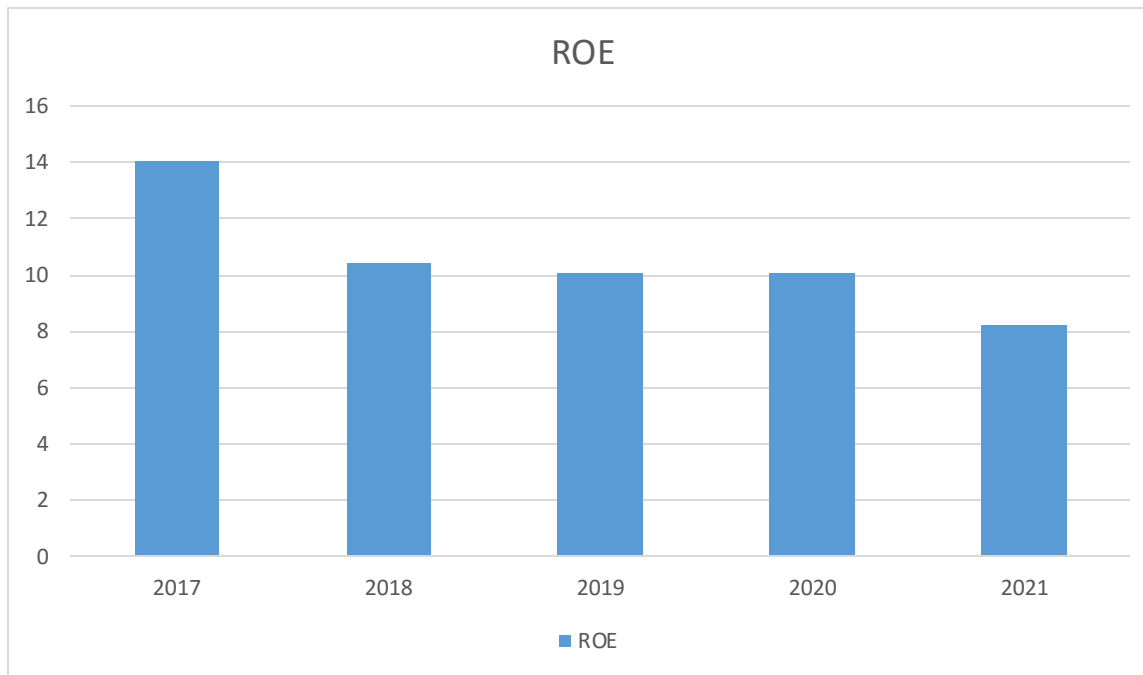
Year	ROA (%)
2017	.99
2018	.73
2019	.64
2020	.61
2021	.46



Interpretation: The bank's ROA has been decreased in 2021 in comparison with its past few years. It means the bank is not as efficient at managing its assets to generate profits in 2021 like it was in its past few years.

ROE (Return on Equity) = Net Income / Shareholder's Equity

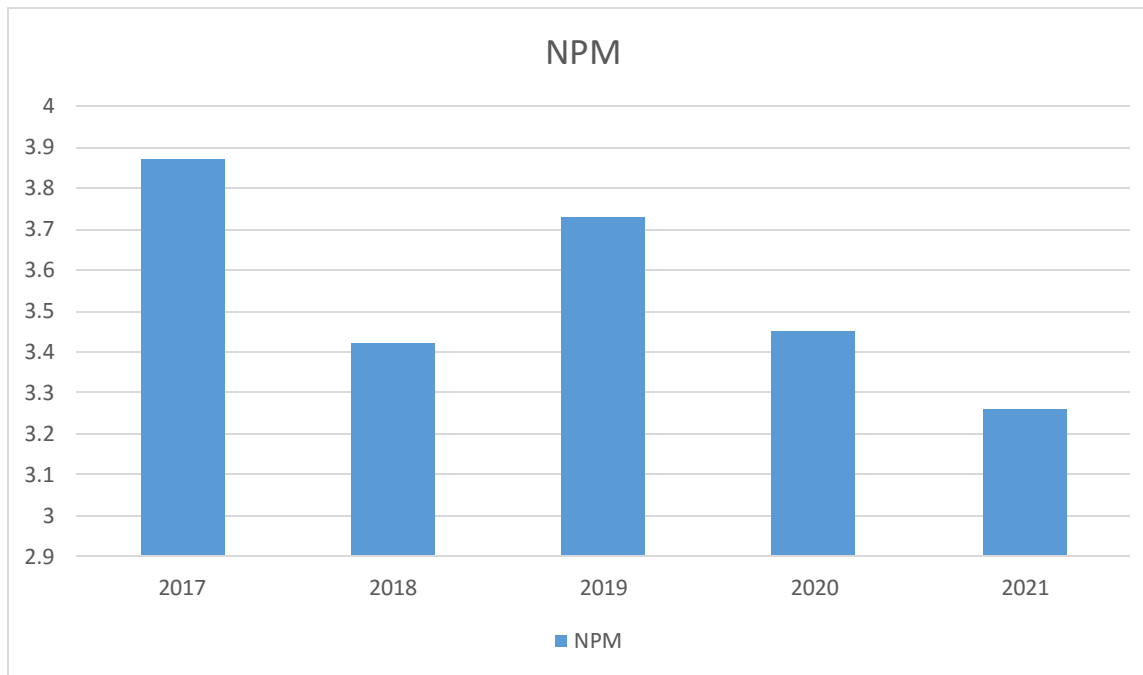
Year	ROE (%)
2017	14.07
2018	10.46
2019	10.05
2020	10.10
2021	8.21



Interpretation: The bank's ROA has been decreased in 2021 in comparison with its past few years. It means the bank is not as efficient at converting its equity financing into profits in 2021 like it was in its past few years.

$\text{NPM (Net Profit Margin)} = \text{Net Profit} / \text{Total Revenue} \times 100$

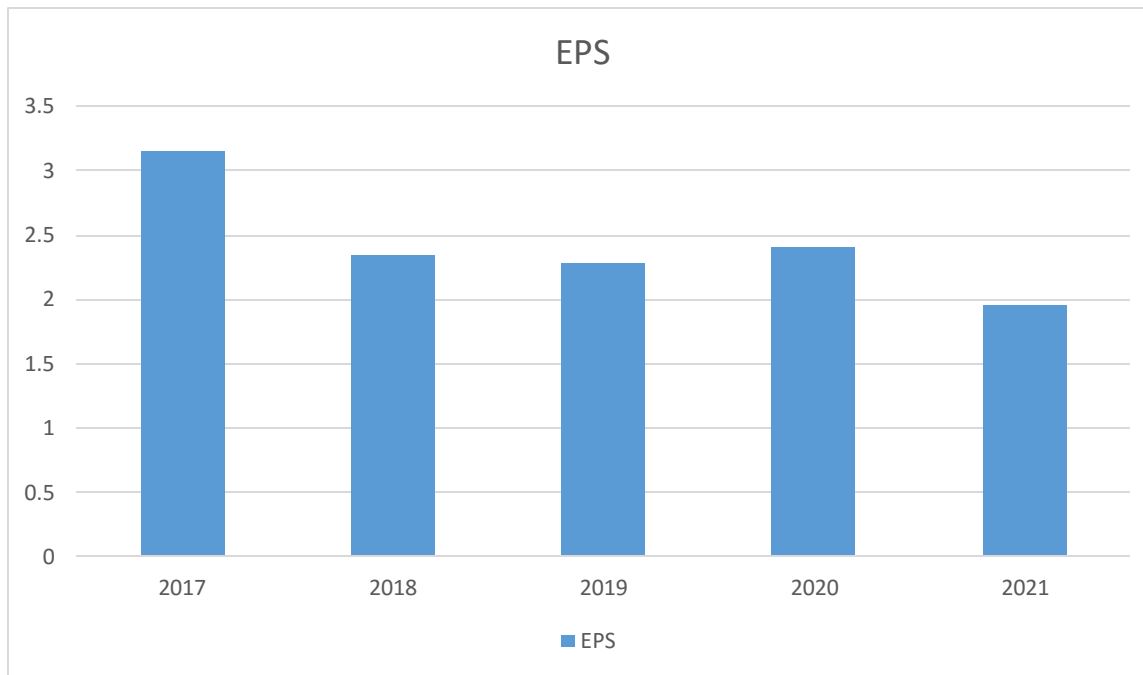
Year	NPM (%)
2017	3.87
2018	3.42
2019	3.73
2020	3.45
2021	3.26



Interpretation: The bank's NPM has been decreased in 2021 in comparison with its past few years. It means the bank is not as efficient at converting its sales into actual profits in 2021 like it was in its past few years.

EPS (Earning Per Share) = (Net Income – Preferred Dividends) / Weighted Average Share Outstanding

Year	EPS (Taka)
2017	3.15
2018	2.35
2019	2.28
2020	2.41
2021	1.96



Interpretation: The bank's EPS has been decreased in 2021 in comparison with its past few years. It means the bank does not have higher profits relative to its share price in 2021 as comparison with its past few years.

General Banking Practices in Al-Arafah Islami Bank Limited

Cash

The discussion will be starting by describing the cash section's activities as these are the parts of general banking practice. In one word the cash sections main job is to receive money from the customers who want to keep money in their bank account and provide money to the customers who are willing to take money from their account. The clearer concept of the cash section's activities are as follows-

- Cash allocating is the process where the in charge officer equally divides every day's cash to the 3 teller.
- The tellers receive money and give money to the customers as per their demand.
- Cash packing indicates the day end cash position of the bank. The tellers calculate whole day's transactions at the end of the day and then make the cash packing.

RTGS

RTGS means real time gross settlement. In detail it can be said that this is a service that offers a customer to transfer his or her money from this bank to another bank instantly. The eligible amount to be sent through this service is over one lac taka. The charge of this service is 100 taka.

BFTN

BFTN means Bangladesh Fund Transfer Network. This is a service that allows a customer to send his or her money to another bank within a day. The amount of money that can be send through this service is between one taka to ninety nine thousand nine hundred ninety nine taka. The customer must have a savings account in this bank to use this service. There is no service charge for this service.

CARD

The general banking officers also provide the service of making a debit or credit card for the customers. One must have a bank account in the bank in order to get any kind of card of the bank. The account opening is one of the major tasks of general banking which will be described next. The customers who want to get these cards tell the officers to start the process. The officers fills the required forms of the customers. The forms usually contains information like name, address, phone number, bank savings account number and monthly income. After fulfilling the forms the officers send the forms to the head office. When the cards arrives in the bank the officers call the customers to go and collect their respective cards. While receiving the cards the customers has to sign in a register book where it is mentioned that they have gotten their cards.

Remittance

AIBL Limited has contract with 18 companies through which immigrants from different parts of the world can send money here to their friends, relatives or for business purpose. The remittance can be send in two ways in the bank. Firstly an immigrant can send the money directly to an account of the bank. Secondly the immigrant can send the money through a pin number based system where the receiver has to tell the pin number to the bank which he or she gets via sms in his or her phone from the foreign bank from which the money has been sent.

Basic procedure of account opening

Firstly a person who wants to open any type of account in the bank must provide his or two copy passport size photos and NID card. Beside these the account holder should also provide the nominee's one passport size photos and NID card. After that the account holder has to fulfill a form where information like name, father's name, mother's name, spouse's name (if any), present address, permanent address, phone number, monthly income have to be given. The account holder and the nominee also must sign in the form. After fulfilling the form the account holder gets the necessary tools for using the account. This was a summarized description. Detail descriptions for different type of accounts will be mentioned after showing the required documents for different institutions which are willing to open an account in the bank.

For sole proprietorship:

- Photocopy of Updated Trade License
- Personal or company's TIN/E-TIN certificate's photocopy
- For Partnership:
- Photocopy of Partnership Deed of The Firm
- Photocopy of Updated Trade License
- Firm's certificate of registration
- TIN/E-TIN Certificate (Firms/Individual)

For Limited Company:

- Photocopy of Certificate of Incorporation
- Photocopy of Memorandum & Articles of Association
- Photocopy of Letter of Commencement of Business (In case of public limited company)
- Board resolution
- Photocopies of updated Trade License & Company E-TIN
- Photocopies of Form-XII & Schedule-X (If needed)
- Directors' names and addresses
- Company's top 5 shareholders' information
- Open account through an agent and the photocopy of deeds between the agent and the limited company

For Club/Society:

- The list of Board of Directors with By-Laws

- Resolution related with the account
- If registered then the government's authorization letter

For Cooperative Societies:

- By-Laws confirmed by the co-operative officer
- The employee's information
- Resolution related with the account
- Certificate of registration

For Private School, College and Madrasa:

- Full identification of Governing Body
- Resolution regarding account opening and running

For Trustee:

- Certified copy of deed of trust
- The application form with the full identity of the members of the board of trustees must have the signatures of all the trustees managing the accounts
- Resolution regarding account opening and running

For Government:

Permission issued by the concerned competent authority for opening and maintaining accounts of Government / Semi Government / autonomous organizations or projects managed by them

For Local Authorities, City Corporations, District Councils, and Municipal Corporations:

- A signed copy of the law or regulation under which the applicant organization is constituted
- Permission issued by concerned competent authority for opening and operating account
- Resolution relating to management of accounts.

Now the in detail descriptions of several type of bank accounts which are opened by the general banking officers will be given. These are actually known as deposit products. By knowing about these products deeply a clearer concept of the activities regarding account opening and managing procedure can be known.

Deposit Products

Al Wadiah Current Deposit (CD)

Terms of contract

- Al-Wadiyyah Current Account is an Al-Wadiyyah contract in agreement with Islamic Shariah implemented between the Depositing Customer and Al-Arafah Islami Bank Ltd.
- The amount so deposited by the customer shall be kept in appropriate custody by the bank and the bank shall be obliged to refund the amount partially/completely (according to the requirement of the customer) as and when requested by the customer.
- The money so deposited by the customer can be joint with other deposits based on Al-Wadiyyah policy and invested by the bank in accordance with Sharia, but the customer will not share in the profit or loss earned.

Accounting rules

- At the time of opening Al-Wadiyyah current account, 2 copies of passport size photograph (attested by the issuer), passport / national identity card, citizenship certificate issued by the ward commissioner or union council chairman / identity card issued by the employer or attested photocopy of the certificate issued by a person acceptable to the bank must be provided.
- Only sane and adult person or group of persons can open account in single or joint name and any educational institution, club, association, socio-economic institution. The account can also be opened in the name of the minor by his/her parent/legal guardian.
- The account can be opened on the identity of the person/current account holder acceptable to the bank. Al-Wadia current account requires minimum initial deposit of Tk 2000/- and minimum balance of Tk-2000/- along with minimum government charges at the applicable rate to be maintained otherwise the bank reserves the right to return the check paid by the customer.
- Account maintenance fee is charged at a fixed rate on a six-monthly basis. Also, the bank can deduct necessary expenses from the customer's account. Account closure charges are deducted in case of account closure.
- The account holder can close the account at any time by returning the unused check book with proper signature and check issued by the bank.
- During bank transactions, money can be withdrawn through one-time deposits and checks issued by the bank. All the provisions of the Negotiable Instruments Act shall apply in this case.
- The customer has to fill the 'Request for Check Book Issue' section in the account opening application form for the first check book and subsequently apply for a new check book through the requisition slip provided in the check book.
- While taking the check book the pages of the check book should be counted and the check book should be kept in a safe place so that no check is stolen or lost. The Bank shall not be accountable in case of fraud by way of stolen or lost check.

- The account holder has to sign the check as per the specimen signature supplied to the bank and if any change in the specimen signature has to be informed to the bank accordingly.
- Banks provide different account numbers to all account holders. In the case of depositing cash or check money, the depositor has to fill out the deposit receipt by mentioning the account number and title of the account and take the satisfactory receipt with the signature of the authorized bank officer by depositing the cash money, check etc. At the time of depositing the check, cross marks should be cut on the check.
- If there is any instruction or legal restriction by the customer regarding withdrawal/stop payment of check, the bank will carefully document the same and the account will be closed until the said restriction is removed.
- All the accounts which have a court order or the proper court and/or any other concerned authorities have a ban on the operation of the account will be identified separately and the account operation will be stopped until the said ban is lifted.
- Bank Statement/Status Confirmation Certificate is provided free of cost as per customer demand on quarterly and annual basis i.e. twice a year. However, if the account statement/certificate is to be taken more than twice, the customer has to pay the bank's fixed charges.
- If the check book issued by the bank is lost, the matter should be entered in the general diary of the nearest police station along with its attested copy and the account holder shall personally appear at the concerned branch and submit a written request for issuance of a new check book. Under no circumstances shall a new check book be transferred in lieu of a lost check book to any third person other than the customer (even if authorized in writing by the account holder). If the signature given in the said request appears to be correct on inspection by the branch manager, he will attest with his own signature. The condition of GD entry/personal appearance at the police station may be relaxed if the branch manager is personally satisfied about the fact of loss of check in case of any valuable customer of the branch.
- Any change in the account holder's address should be reported to the bank immediately. The bank maintains communication with the depositor by post. Bank shall not be liable if any letter/instrument etc. sent by post is not delivered on time or at all.
- In the absence of any agreement, in case of death of one or more persons belonging to an account held in the name of two or more persons, the amount due shall be received by the surviving subscriber/nominee(s) as per the law and rules. If any investment money related to the said account/account is owed to the bank, the survivor or survivors are bound to pay it.
- The Bank reserves the right to exercise general preemption or any other equitable right on the deposit status maintained by the Account Holder and to enforce the Bank's due.
- As a customer, the bank carefully evaluates/destroys. The Bank reserves the right to correct any amount miscalculated/miscalculated.
- Taxes/duties are deducted from the said account as per government rules.
- Bank may close any account without assigning any reason and without giving any notice.

- If ordered by the court, government, central bank or any other appropriate authority, the bank can provide all the information related to the customer's account without the permission of the customer.
- The customer will be obliged to supply any information as per the demand of the bank according to the anti-money laundering laws and policies, anti-terrorism laws and any other existing laws of the country.
- According to the Bank Companies Act of 1991, if there is no transaction in any account for a period of 10 (ten) years and beyond, the respective account is considered as unclaimed and the status of the account is transferred to Bangladesh Bank.
- In addition to the above rules, any disputes/complications related to accounts will be settled according to the prevailing laws and regulations of the country.
- The Bank may at any time change, extend, amend, modify or cancel any rules related to this account and the account holder shall be obliged to comply with them.

Al-Arafah Monthly Hajj Deposit (MHD)

Accounting rules

- Multiple Hajj accounts can be opened in the name of the same person.
- Deposits will be accepted as Hajj based on Mudaraba principles.
- Any change in the fixed address of the depositor should be reported to the bank immediately.
- People who are interested in performing Hajj from one year to twenty years, based on the number of years they want to perform Hajj, must pay Hajj money in monthly installments according to the table.
- The cost of Hajj increases at the rate of 5% every year. Therefore the total amount of potential deposit may change from year to year. The chart of potential deposits is to be collected from the Branch Authority.
- If a depositor is interested in performing Hajj before the predetermined time, then he can perform Hajj by depositing the remaining amount of Hajj money at the prescribed rate for that year along with the money deposited at the profit rate of the savings account as his Hajj.
- If a depositor is unable to perform Hajj for another reason, he can withdraw his deposited money and perform Hajj later.
- No money can be withdrawn from the Hajj account, so no check book is issued.
- In case of installments, the year will be considered in 12 installments, ie 60 installments for 5 years, 120 installments for 10 years and 240 installments for 20 years.
- Regular installments should be deposited within 5th of every month. If someone wants to pay installment money in advance, it will be deposited but it will be given profit on the deposit status of monthly installments.
- If a depositor does not deposit three consecutive installments then his Hajj account will be canceled and interest will be paid on the deposited installments at the rate of Mudaraba savings account. If 2 consecutive installments are due, the account will remain active if the money of those installments is deposited with the subsequent regular installments.

However, if such irregularity is repeated twice in a year or five times within the specified final period, the account will be considered cancelled.

- At the end of the final period, if the money deposited with the bank's profit is less than the total cost of Hajj for that year, the remaining money can be performed by making a one-time deposit for Hajj.
- The officers and employees of Al-Arafah Islami Bank Limited can open the said Hajj account.
- If a Hajj account holder dies, his heirs can withdraw the deposited amount subject to proper proof as per law.
- The bank authorities may at any time change, extend, modify or cancel any rules relating to Hajj Account and the depositor shall be bound to comply with the same.

Al-Arafah Termed Hajj Deposit (THD)

Accounting rules

- Those who wish to perform Hajj fast with the entire amount deposited with the bank's profit in the future through a one-time term deposit should open Al-Arafah One-time Hajj Deposit Account.
- One-time Hajj deposit account should be opened in the name of the person who wants to perform Hajj in his own name or in the name of the person for whom he wants to perform Hajj. In case of minors, their guardians will open the account on behalf of the minor.
- People interested in performing Hajj within 5 to 25 years will deposit a lump sum based on the number of years they want to perform Hajj.
- Deposits are accepted as Hajj based on the principles of Mudaraba. The main attraction of this scheme is that 0.10% more weighted profit is paid on the deposited money than the weighted profit of 3 years term deposits.
- The calculation of one-time required deposits and estimated costs in different periods may result in the actual profit figure being more or less later.
- If a person who has opened an account for the performance of Hajj himself is unable to perform Hajj due to any unavoidable reason, he can arrange for Hajj instead or get back the deposited money with profit at the rate and rules of Mudaraba savings account. On the death of a person who has opened an account for performing Hajj, his heirs (according to law) can withdraw the money deposited subject to proper proof, but they will get profit at the rate and rules of Mudaraba savings account.
- In case the account has been opened in the name of another person for the purpose of performing Hajj, if the Hajj account holder is unable to perform Hajj due to any reason or dies, then Hajj should be performed instead. Under no circumstances can the deposited money be used for any purpose other than Hajj.
- If a depositor is interested in performing Hajj before the predetermined time, then he can perform Hajj by depositing the required additional amount as his one-time Hajj deposit along with the profit.

- At the end of the final term, if the money deposited with the bank's profit is less than the total cost of Hajj for that year, then the remaining money can be performed by making a one-time deposit for Hajj.
- At the end of the term, if the amount deposited is more than the actual cost including the bank's profit, the excess money will be returned to the depositor.
- One-time Hajj deposit account must be filled in the prescribed form.
- The cost of Hajj increases at the rate of 5% every year. Therefore the total amount of potential deposit may change from year to year. The chart of potential deposits is to be collected from the branch authority.
- The estimated cost of Hajj is expressed in whole numbers to the nearest hundredths.
- This account can be opened in the name of officers and employees of Al-Arafah Islami Bank Limited and their family members.
- Under this scheme, Hajj accounts can be opened in the name of minors or children. In this case, the concerned account holder shall provide an acceptable identity card to the bank regarding his identity before withdrawing the money for performing Hajj at the end of the period.
- In case of change in the fixed address of the depositor, the same should be informed to the bank immediately.
- Income earned on deposits will be subject to tax/duty deduction as per government norms.
- According to the anti-money laundering laws and policies, the customer will be obliged to provide any information as required by the bank.
- The bank authorities may at any time change, extend, modify or cancel any rules relating to Hajj Account and the depositor shall be bound to comply with the same.

Monthly Installment Based Term Deposit (ITD)

Terms of contract

- The Monthly Installment Based Term Deposit Account is a Mudaraba agreement as per Islamic Shariah executed between the depositor and Al-Arafah Islami Bank Ltd.
- Here the money depositor is Sahibul Mal (owner of money) and the bank is Mudarib (managing the business).
- The bank accepts the money deposited on the basis of Islamic Shariah Mudaraba principles and invests it according to Islamic Shariah.
- The bank invests Mudaraba funds and distributes 70% of the income from the investment among the Mudaraba depositors on a weightage basis.
- Besides, other terms and conditions of Islamic Shariah Mudaraba agreement will be applicable to the said account.

Rules for managing accounts

- Saving period: 2 years, 3 years, 5 years, 8 years, 10 years, 12 years.
- Monthly Installment Rate: 200/-, 300/-, 500/-, 1000/-, 1500/-, 2000/-, 3000/-, 4000/-, 5000/- and multiples of 1000/- are 50,000/- Any amount up to Taka.

- Deposits are accepted as such based on Mudaraba principles. The main attraction of this scheme is that the profit is given on the basis of daily status on the deposited amount. Profits are paid at various rates as announced by the bank.
- The prescribed form has to be used to open the account under this scheme.
- The customer can choose any installment while opening the account under this scheme. But it cannot be changed later.
- Any Bangladeshi citizen above 18 years can participate in this project. However, this account can be opened in the name of minors below 18 years. In that case the account will be managed by the minor's guardian.
- The same person can open multiple accounts in the same branch with different installment rates.
- The amount due at the end of any term is paid one month after the last installment is deposited.
- The amount of money likely to be received against fixed installments along with the estimated profit at the end of the term is shown in the table below. According to the actual calculation, the profit figure is credited to the customer at the end of every year. The actual profit amount during the period may be less than the estimated profit amount.
- Generally: No withdrawal before maturity. However, if due to unavoidable reasons, a depositor wants to withdraw his savings before maturity, then he will be allowed to withdraw. In that case, profit will be paid on his deposited money at the prescribed rate and rules for Mudaraba savings account.
- If someone wants to close the account and withdraw money at any time between two specified periods, he will be paid the full amount of the balance along with the profit of the previous period and the profit for the next interim period at the prescribed rate and rules for the Mudaraba savings account.
- Monthly installments can be deposited on any working day. Advance deposit of installments of any amount will always be acceptable.
- If a depositor fails to pay three (03) consecutive installments before the maturity date, he will not be eligible for the scheme. In that case he will be paid profit on the deposited money at the prescribed rate and rules for Mudaraba savings account.
- Bank reserves the right to close the account if any depositor fails to pay 5 consecutive installments at any time between two fixed periods. In this case, he will be paid the full amount of the status along with the profit of the previous period and the profit for the next interim period at the prescribed rate and rules for the Mudaraba savings account.
- Under this scheme, the depositor can issue a standing instruction to the branch to pay regular installments from his account saved in the respective branch. In that case monthly transfer fee will be payable.
- In case of death of the depositor, the transaction will be stopped as per the concerned. The money deposited along with the profit will be paid to the nominated person. If there is no nomination, the deposited amount along with profit will be paid to the legal heirs of the depositor with heirship certificate.
- Taxes/duties are deducted from the said account as per government rules.

- Any change in the fixed address of the depositor should be immediately reported to the bank.
- The Bank Authority may at any time change, extend, amend or cancel any rules relating to Monthly Installment Based Term Deposit Account and the Depositor shall be bound to comply with the same)

Monthly Profit Based Term Deposit (PTD)

Accounting Rules

- Based on the principles of Islamic Shariah Mudaraba, bank deposits of Taka 1, 00,000/- or any multiple thereof are accepted under this account.
- The term of this deposit account will be 2 years, 3 years, 5 years.
- The monthly profit of this scheme may vary from time to time according to the declared profit rate of the bank.
- Minimum period of one month is required for availing profit of deposit account under this scheme.
- Money deposited in this account cannot be withdrawn before maturity. If you want to withdraw the deposited money before maturity due to unavoidable reasons, profit is paid on the deposited money at the prescribed rate and rules for Mudaraba savings account as per the bank circular and the excess profit paid earlier will be recovered from the original deposit.
- In case of death of the depositor, the transaction will be closed as per attachment. The deposited money will be paid to the nominated person/persons. If there is no nomination, the deposited amount will be paid to the legal heirs of the depositor with inheritance certificate.
- The account opening form prescribed for the project shall be duly filled and submitted by the depositor.
- The depositor shall have a separate Mudaraba savings account in the concerned branch, where the interest payable on his deposit shall be deposited.
- A non-transferable receipt is issued to the depositor against his deposit.
- Taxes/duties are deducted from the said account as per government rules.
- The depositor shall immediately inform the bank of any change in the fixed address of his depositor.
- (According to the Anti-Money Laundering Laws and Policies, the customer will be obliged to provide the necessary information as per the bank's demand).
- The bank authorities may at any time change, extend, amend or cancel any rules relating to accounts and the depositor shall be bound to comply with them).

Mudaraba Term Deposit (MTDR)

Terms of contract

- This Mudaraba Term Deposit Account is a Mudaraba Agreement in accordance with Islamic Shariah executed between the account depositor and Al-Arafah Islami Bank Limited.

- Here the depositor is the Sahibul-Mal (owner of the money) and the bank is the Mudarib (operator of the business).
- Bank can combine the deposits received in the said sector with other deposits or capital and invest in any sector free of interest approved by Shariah according to its own decision.
- The bank invests mudaraba funds and distributes 70% of the investment income among the mudaraba (1.3, 6, 12, 24, 36 months term deposits) on weightage basis. The weightage and investment income distribution rate is determined by the bank alone.

Accounting rules

- Based on Islamic Shariah Mudaraba principles, any amount above Tk 1,000.00 or multiple thereof shall be accepted as deposit and shall issue transferable receipt as receipt.
- Mudaraba fixed deposit account is not canceled within 30 (thirty) days after expiry, it shall be automatically renewed for the same period from the date of expiry.
- If the depositor wants to withdraw any deposit before the expiry of the period, profit will be paid at the rate of Mudaraba savings account on the basis of Daily Product.
- Profit on Mudaraba term deposits is credited to the respective term on maturity. If the depositor does not withdraw it, it will be treated as original deposit and subsequently treated for profit accordingly. If the depositor with a term of one year or more wants to withdraw the profit after 6 months, the same shall be deposited as per the relevant term as per the temporary profit rate (of the previous year) and immediately debited to the depositor's Mudaraba savings/al-wadia current account or pay order. Provided through
- If any deposit account is closed before the annual final profit rate is declared, the depositor will be liable to take profit at the previous year's provisional rate. Subsequently, if the rate of profit on such deposits is declared lower, neither the depositor nor the bank will have any claim. However, if the rate of profit is higher, it will be paid to the customer. In that case the customer has to operate a Mudaraba savings/al-wadia current at the branch.
- In case of change in the fixed address of the depositor, the same should be informed to the bank immediately. The Bank will communicate with the Depositor by post. The Bank shall have no liability if any correspondence sent by post is not delivered on time or at all.
- The Mudaraba Term Deposit Receipt shall be duly preserved by the depositor. If the receipt is lost for any reason, the bank should be informed immediately in writing and the bank will take precautions as per normal rules. But the bank shall not be liable if any one withdraws the money with this lost receipt by fraud, even if it is not informed in writing at all.
- The bank may refuse to accept deposits from any type of customer without assigning any reason.
- Taxes/duties are deducted from the said account as per government rules.
- Individual/Private/Privately Owned/Jointly Owned Account Holders can nominate a nominee for disbursement of deposits after his or their death. Nominee/nominees shall submit the following documents/documents in support of nomination along with his/her application form for withdrawing the deposited amount of the respective account after the death of the account holder.

- In light of the Prevention of Money Laundering Act, the Bank reserves the right to take necessary action as per Bangladesh Bank regulations.
- The bank authorities may at any time change, extend, amend or cancel any of the rules relating to Mudaraba Term Deposit Account in whole or in part and the depositor shall be obliged to comply with the same.

Pension Deposit Scheme (PDS)

Accounting Rules

- Based on Islamic Shariah Mudaraba principles Mudaraba will be accepted under pension deposit account.
- Bank deposits of Taka.1, 00,000/- or any multiple thereof are accepted under this account.
- The term of this deposit account will be 2 years, 3 years, 5 years.
- The monthly profit of this scheme may vary from time to time according to the declared profit rate of the bank.
- Minimum one month period is required for availing profit of deposit account under this scheme. After closing the annual accounts, the final profit is calculated as follows.
- The money deposited in this account cannot be withdrawn before the expiry date. If you want to withdraw the deposited money before maturity due to unavoidable reasons, profit is paid on the deposited money at the prescribed rate and rules for Mudaraba savings account according to the bank circular and the excess profit paid earlier will be recovered from the original deposit.
- In case of the death of the depositor, the transaction will be closed as an attachment. The deposited money will be paid to the nominated person/persons. If there is no nomination, the deposited amount will be paid to the legal heirs of the depositor with heir ship certificate.
- The depositor shall have a separate Mudaraba savings account in the concerned branch where the interest payable on his deposit shall be deposited.
- A non-transferable receipt is issued to the depositor against his deposit.
- Taxes/duties are deducted from the said account as per government rules.
- The depositor should immediately inform the bank if there is a change in the specified address of the depositor.
- According to the Anti-Money Laundering Law and Policy, the customer will be obliged to provide the necessary information as per the bank's demand.
- The bank authorities may at any time change, extend, amend or cancel any rules relating to the account and the depositor shall be bound to comply with the same.

Mudaraba (Special) Pension Deposit Scheme (MSPDS)

Accounting Rules

- Scheme duration: 5 years, 10 years, 15 years.
- Monthly installment amount will be Taka 500/- and multiples of Taka 1,000/-. Maximum monthly installments shall not exceed Taka 10,000/-.

- Deposits are accepted as such based on Mudaraba policy. The main attraction of this scheme is that the profit is given on the basis of daily status on the deposited amount.
- Customer can choose any installment while opening account under this scheme. But it cannot be changed later. The same person can open multiple accounts in the same branch with different installment rates.
- Deposits of this scheme cannot be withdrawn before the expiry date. If a depositor wants to withdraw the deposited money before the maturity due to unavoidable reasons, then a) If the scheme tenure is less than 6 months, no profit will be due, b) If the scheme tenure is 6 months, profit will be paid on the deposited money at the rate and rules prescribed for Mudaraba savings account as per the circular. Is done
- Monthly installments can be deposited on any working day. Advance deposit of installments of any amount will always be acceptable. The prescribed form should be used to open an account under this scheme.
- If a depositor fails to deposit 5 consecutive installments, he will not be eligible for this scheme. If the period of 6 (six) months of the existing account is completed, the depositor will be paid profit on the deposited money at the prescribed rate and rules for the saving deposit account.
- In case of special needs, the depositor can take maximum 80% loan/investment facility against the deposited money as per rules. However, if the depositor takes the loan, he will no longer be covered under the pension benefits of the scheme.
- According to the actual calculation, the profit figure is credited to the customer at the end of every year. The actual profit amount at the end of the period may be less than the estimated profit amount.
- Payable at the end of any term / pension is paid one month after deposit of last installment.
- In case of the death of the depositor, the transaction will be closed as an attachment. The deposited money will be paid to the nominated person/persons. If there is no nomination, the deposited amount will be paid to the legal heirs of the depositor with heir certificate.
- The statement of accounts is generally provided on an annual basis. However, if the bank provides the account statement at the depositor's need, the charge is applicable in that case.
- A depositor can make a one-time withdrawal of the deposited money along with the estimated profit at the end of the specified period or can enjoy the pension benefit for the corresponding period.
- The customer can close the account at any time before the expiry by paying the service charge.
- The depositor's pension money will be deposited as customer's mudaraba savings.
- Taxes/duties are deducted from the said account as per government rules.
- Under this scheme, the depositor can give standing instruction to the branch for regular payment of installments from his account saved in the respective branch. In that case, monthly charges will apply.
- In case of change in the specified address of the depositor, the same should be reported to the bank immediately.
- According to the Anti-Money Laundering Laws and Policies, the customer will be obliged to provide the necessary information as per the bank's demand.

- The Bank Authority may at any time alter, extend, amend or cancel any rules relating to Mudaraba Special Savings (Pension) Scheme and the depositor shall be bound to comply with the same.

Mudaraba Savings Deposit (MSD)

Terms of contract

The Mudaraba Savings Account is a Mudaraba contract in accordance with Islamic Shariah executed between the customer or depositor and Al-Arafah Islami Bank Ltd.

A) Here the customer who deposits the money is Sahibul Mal (the owner of the money) and the bank is the Mudarib (the manager of the business).

b) The money deposited in the bank is accepted on the basis of Islamic Shariah Mudaraba principles and invested according to Islamic Shariah.

c) Bank invests mudaraba fund and distributes 70% of the income from the said investment among the mudaraba depositors on weightage basis.

d) Apart from this, other terms and conditions of Mudaraba agreement of Islamic Shariah shall be applicable.

Accounting Rules

- This account is opened by initially depositing the fixed amount of money determined by the bank.
- Only individuals or groups of individuals, single or joint, and educational institutions, clubs, associations, socio-economic organizations can open accounts.
- At the time of account opening, identification should be provided by any beneficiary acceptable to the bank.
- Profit is paid at the estimated rate before finalizing the annual profit and loss account. Subsequently, if the final profit rate is declared higher than the estimated rate, it is paid as depositor. On the other hand, if the final profit rate is less than the estimated rate, the bank will have no claim/objection.
- If the account is closed before the annual profit and loss account is finalized, the profit will be paid at the estimated rate. Later, if the rate of profit is declared higher or lower, neither the depositor nor the bank will have any objection.
- No profit is given if the balance falls below the amount fixed by the bank.
- Deposits can be made on any date of the month during transaction. However, the minimum status saved between 6th of the month and the last date is considered as deposit of that month for the purpose of benefit payment.
- A maximum of twice a week, four times a month and each time ¼th of the deposit or Taka 50, 000/= whichever is less can be withdrawn without notice. If you want to withdraw money more than the mentioned amount, you have to give seven days prior notice. Withdrawal of money on notice is considered for profit on deposit. Otherwise profit is not paid on the said account for that month.

- Free of charge Bank Statement/Status Confirmation Certificate is provided twice a year, on quarterly and annual basis. In addition, the bank provides the account statement subject to payment of charges as per the customer's needs. If no complaint is received in writing within thirty days, the account status is assumed to be correct.
- Normally no withdrawal can be made by any means other than check/ATM card issued by the bank.
- The account holder can close the account by making a proper application by returning the unused check book. If the check book issued by the bank is lost, the matter shall be entered in the general diary at the nearest police station along with its attested copy and the account holder shall personally appear at the concerned branch and submit a written request for issuance of a new check book. Under no circumstances shall a new check book be handed over to a third person other than the customer (even if authorized in writing by the account holder) in lieu of the lost check book. If the signature given in the said request appears to be correct on inspection by the branch manager, he will attest with his own signature. The condition of GD entry/personal appearance at the police station may be relaxed if the branch manager is personally satisfied about the fact of loss of check in case of any valued customer of the branch.
- The customer's account is carefully assessed/disclosed by the bank. The Bank reserves the right to correct any amount miscalculated/miscalculated.
- The bank will always be cautious about positive payment and will take all steps to prevent check fraud. But customers will also always try to accept positive payments and refrain from fraudulent check collection.
- Bank may close any account at any time without giving any notice/reason.
- Any change in the account holder's address should be reported to the bank immediately. Banks generally communicate with customers through post office / courier services. The Bank shall not be liable if the correspondence sent by post is not delivered on time or at all.
- As such, tax/duty is deducted as per government rules.
- Written documents/certificates should be obtained from the nominees for disbursing the money deposited by the account holder/holders after his/her death to the nominee/nominees. The documents are – Application form with passport size attested photograph of nominee/s; In case of death due to account holder's Death Certificate issued by Registered Doctor/Union Council Chairman/City Corporation or Ward Commissioner of Municipality, the death certificate should be countersigned by the Bangladesh Embassy/Consular Office located in the concerned country; National ID Card Attested photocopy of passport; Certificate issued by the Local Union Council Chairman/City Corporation or Ward Commissioner of the Municipality in favor of the identity of the nominee/nominees; Application form with passport size attested photograph of nominee/s; Indemnity bond given by the nominee/s. It should be noted that if the nominees are minors, they cannot be paid the amount due until they become minors. However, the minor's guardian can withdraw the money from the respective accounts as per the court order.
- If there is no agreement, in case of death of one or more persons belonging to the account held in the name of two or more persons, the amount due goes to the surviving

customer/nominee(s) as per law and rules. If the bank owes any investment money related to the said account/account, the survivor or survivors are bound to pay the same.

- All accounts which have court attachment order or are prohibited by the appropriate court or/and any other relevant authorities in the operation of the account will be marked separately and the operation of the account will be stopped until the said ban is withdrawn.
- If the bank owes anything to the account holder, the bank reserves the right to exercise general lien/banker's lien or any other equitable right on the credit status and by exercising the same, the bank reserves the right to pay the debt.
- If ordered by the court, government, central bank or any other appropriate authority, the bank can provide all the information related to the customer's account without the permission of the customer.
- According to the anti-money laundering laws and policies, the customer will be obliged to provide any information as per the bank's demand.
- According to the Companies Act of 1991, if no account has been transacted for a period of 10 (ten) years and beyond, the respective account is considered as unclaimed and the status of the account is transferred to Bangladesh Bank.
- In addition to the above rules, if any dispute/complexity arises in relation to accounts, the matter shall be settled as per the prevailing laws and regulations of the country.
- The Bank may at any time change, extend, amend, or cancel any of the terms and conditions relating to this account. In this case the depositor will be obliged to comply with it.

Mudaraba Saving Ac- Garments Workers

Terms and Conditions as Mudaraba Savings Account: Garment Industry Workers”.

- A. Here the depositor is the ‘Sahibul-Mal’ (owner of the money) and the bank is the ‘Mudarib’ (operator of the business).
- B. Based on Mudaraba principles prescribed by Islamic Shariah, the bank accepts deposits and invests in accordance with Shariah.
- C. The bank distributes 70% of the income received by investing mudaraba funds among the mudaraba depositors on weightage basis. Mudaraba depositors bear the loss in case of investment.
- d. Apart from this, the other terms and conditions of the Mudaraba Agreement shall apply for the said account.

Accounting Rules

- Any garment industry worker can open this account subject to minimum deposit of Tk 100.00 (one hundred) and compliance with related rules. After opening the account, the account holder will manage the account through deposits and withdrawals as usual.
- At the time of opening the account, 02 copies of the ID card and national identity card issued by the company in which the garment industry worker is working, along with 02 copies of the account holder (attested by the identity provider) and one copy of the nominee (attested by the account holder) must be submitted at the time of opening the account.

- At the time of account opening, identification must be provided by any customer/person acceptable to the bank. If the garment industry workers are inexperienced in managing accounts, they will be given all-out assistance by the branch authorities.
- No service charge/account maintenance fee, check book issue charge or any other charge will be collected from this account.
- As such there is no obligation to maintain minimum status to pay profit. As such, foreign currency can be sent.
- Accordingly, the profit is paid twice a year (in June and December) at the provisional rate, which is adjusted/deposited on the basis of the annual closing profit/loss account. VAT, tax or duty is deducted from the said account as per government rules.
- As such, the profit will be paid subject to compliance with Mudaraba savings account rules. If the account is closed before the annual profit and loss account is closed, Provisional Profit is paid at the provisional rate, subsequently, after the announcement of the final rate of profit, if the declared final rate is higher than the provisional rate, it will be credited to the account holder/ through pay order. If the announced final rate is less than the provisional rate, there will be no claim from the bank.
- Deposits can be made on any date of the month during transaction. However, the minimum status reserved by the last date from 06th of the month will be considered as deposit of that month for the purpose of payment of benefit. A maximum of twice a week, four times a month and each time 1/4th of the deposit balance or Taka.50, 000.00 w^he^{ve}r is less can be withdrawn without notice. If you want to withdraw more than the mentioned amount, you have to give seven days prior notice. Withdrawal of money on notice is considered for earning the deposit. Otherwise profit is not paid on the said account for that month.
- Balance Confirmation Certificate is provided to the account holder twice a year on quarterly and annual basis without any charge. If no written complaint is received within 30 (thirty) days, the account status is assumed to be correct.
- As a customer, the bank carefully assesses/destroys. Error: The Bank reserves the right to correct any amount miscalculated/miscalculated.
- Bank can close any account without showing any reason / giving notice.
- Any change in the account holder's address should be reported to the bank immediately. Banks generally maintain communication with account holders through post/courier. The Bank shall not be responsible if any correspondence sent by post/courier is not delivered on time or at all.
- Nominee/Nominees have to submit the following documents/certificates for withdrawing the deposited amount of the attached account after the death of the account holder. Application form with passport size attested photograph of nominee/s. Accountant's Death Certificate issued by Registered Doctor/'Union Council Chairman/ City Corporation or Ward Commissioner of Municipality. In case of death abroad, the death certificate must be countersigned by the Bangladesh Embassy/Consular office located in the country concerned. Attested photocopy of National ID Card/Passport. Certificate issued by Local Union Council Chairman/City Corporation or Ward Commissioner of Municipality in favor of nominee/nominees. Indemnity bond given by nominee/nominees on non-judicial stamp.

- If ordered by the government, court, central bank or any other appropriate authority, the bank can provide all the information related to the customer's account without the customer's permission.
- According to the Prevention of Money-Laundering Act, Anti-Terrorism Act and the circulars/policies issued by Bangladesh Bank's Prevention of Money-Laundering Department from time to time, the customer will be bound to provide information as per the bank's needs and manage the account accordingly.
- According to the Bank Companies Act of 1991, if no account has been transacted for a period of 10 (ten) years and beyond, the account will be considered as unclaimed and the status of the account will be transferred to Bangladesh Bank.
- This account is a mudaraba agreement based on Islamic Shariah between the depositor and Al-Arafah Islami Bank Limited.
- In addition to the above rules, if any dispute/complexity arises regarding the account, the matter will be settled as per the prevailing laws and rules of the country.
- The Bank may, as per specific requirements, change, extend, modify or cancel any rules related to this account and include any new rules/rules which the account holder/account manager will be bound to comply with.

School Student (Minor) Mudaraba Saving Account

Terms of School Student Agreement

School Student (Minor) Mudaraba Savings Account is an Islamic Shariah based Mudaraba agreement entered into between the depositor and Al-Arafah Islami Bank Limited.

- A. Here the depositor is the 'Sahibul-Mal' (owner of the money) and the bank is the 'Mudarib' (operator of the business).
- B. Based on 'Mudarab' principles prescribed by Islamic Shariah, the bank accepts deposits and invests in accordance with Shariah.
- C. The bank distributes 70% of the income received by investing mudaraba funds among the mudaraba depositors on weightage basis. Mudaraba depositors bear the loss in case of investment.
- d. Apart from this, the other terms and conditions of the Mudaraba Agreement shall apply for the said account.

Accounting Rules

- Initially, this account can be opened by depositing a minimum amount of Taka 100/- or more. No profit is paid if the minimum balance falls below Taka 100/- as fixed by the bank.
- This account can be opened in the name of any school student below 18 years of age.
- The account holder (minor) and the parent should be introduced by the head of the educational institution in which the account holder (minor) is studying, or a person authorized by the institution, and the same person should submit 02 copies of passport size attested photographs of the applicant or the parent at the time of opening the account.

Besides, 02 copies of recent passport size photograph of the account holder or minor must be attested by the applicant or guardian and one copy of the nominee's passport size photograph must be attested by the guardian.

- Attested photocopy of birth registration certificate/passport/school certificate (original must be shown) for proof of age of account holder (minor) at the time of account opening.
- The account shall be maintained under the signature of the guardian until the account holder becomes a minor or until further notice is given by the guardian. After the account holder becomes a minor, the guardian's authority to manage the account will cease and the account holder will own all the funds in the account. After the account holder attains the age of majority, no further transactions shall be made in respect thereof without his written application.
- The customer has to fill up the Check Book Issue Requirement section of the account opening application form for the first check book and subsequently apply for a new check book through the requisition slip provided in the check book.
- If the check book issued by the bank is lost, the matter shall be entered in the general diary of the nearest police station along with its attested copy and the customer shall appear personally at the concerned branch and submit a written request for issuance of a new check book. Under no circumstances shall a new check book be handed over to a third person other than the customer (even if authorized in writing by the account holder) in lieu of a lost check book. If the signature given on the said request form appears to be correct upon inspection by the branch manager, he will attest with his own signature. The condition of GD entry/personal appearance at the police station may be relaxed if the branch manager is personally satisfied about the fact of loss of check in case of any valuable customer of the branch.
- As mentioned, the profit is paid twice a year (in June and December) at the provisional rate, which is adjusted/deposited on the basis of the annual closing profit/loss account.
- If the account is closed before the annual profit and loss account is closed, Provisional Profit is paid at the provisional rate, subsequently, if the final rate announced after the final rate of profit is announced is higher than the provisional rate, it will be paid to the account holder as savings / through pay order. If the announced final rate is less than the provisional rate, there will be no claim from the bank.
- Deposits will be collected and accounts will be opened by bank representatives from different schools once a month subject to the permission of the school authorities. However, the parents of students of such schools and other schools can come to any branch of the bank to open an account or deposit money as per the rules and regulations. Transactions can be made on any day during the bank's trading hours.
- Profit will be paid as per daily status.
- A maximum of 2,000.00 (two thousand) taka per week can be withdrawn from this account from the respective branches.
- KYC profile form of guardian has to be filled in case of 'Brihadank' status.
- A Balance Confirmation Certificate is provided to the parent at no charge twice a year on a quarterly and annual basis. If no written complaint is received within 30 (thirty) days, the

account status is assumed to be correct. Charges will be payable at the applicable rates for taking certificates more than twice in a year.

- Generally, money cannot be withdrawn by any means other than a check issued by the bank.
- As a customer, the bank carefully assesses/destroys. Error: The Bank reserves the right to correct any amount miscalculated/miscalculated.
- The account manager or guardian can close the account by making a proper application by returning the unused check book and paying the prescribed account closure fee.
- Bank can close any account without showing any reason / giving notice.
- Any change in the address of the account holder (minor) or guardian should be reported to the bank immediately. Banks generally maintain contact with the account holder or custodian by post/courier. The Bank shall not be responsible if any correspondence sent by post/courier is not delivered on time or at all.
- VAT, tax or duty will be deducted from the said account as per government rules.
- No service charge or account maintenance fee is collected from this account. However, account closure charges will be payable at applicable rates in case of account closure.
- If the account holder (minor) dies, the guardian will own the entire amount of the account. Nominee/Nominees have to submit the following documents/certificates to withdraw the amount deposited in the attached account after the death of the guardian- Death Certificate of guardian issued by Registered Doctor/ Union Council Chairman/ City Corporation or Ward Commissioner of Municipality; In case of death abroad, the death certificate must be countersigned by the Bangladesh Embassy/Consular office located in the country concerned; Application form with passport size attested photograph of nominee/s; Attested photocopy of National ID Card/Passport; Certificate issued by Local Union Council Chairman/City Corporation or Ward Commissioner of Municipality in favor of nominee/nominees; Indemnity Bond given by the nominee/nominees in non-judicial stamp of Taka 150.
- If ordered by the government, court, central bank or any other appropriate authority, the bank can provide all the information related to the customer's account without the customer's permission.
- According to the Prevention of Money-Laundering Act, Anti-Terrorism Act and the circulars/policies issued by Bangladesh Bank's Prevention of Money-Laundering Department from time to time, the customer shall be bound to provide information as per the bank's requirements and manage the account accordingly.
- According to the Bank Company Act of 1991, if no account has been transacted for a period of 10 (ten) years and beyond, the account is considered as unclaimed and the status of the account is transferred to Bangladesh Bank.
- In addition to the above rules regarding accounts – any dispute/complexity arising shall be settled as per the prevailing laws and rules of the country.
- The Bank may, as per the specific requirements, change, extend, modify or cancel any rules related to this account and include any new rules/regulations which the account holder and the custodian will be bound to comply with.

Mudaraba Foreign Currency Deposit AC

Features of Mudaraba Foreign Currency Deposit A/C

Title of the Account

The title of the Account will be “Mudaraba Foreign Currency Deposit A/C” (MFCD A/C) Under “Mudaraba Foreign Currency Deposit (MFCD)” Scheme.

Objectives of Such Facility

- a) To create opportunity for the wage Earners and other Foreign Currency A/C holders who do not like to keep their funds in interest bearing deposit A/C or invest in interest bearing schemes.
- b) To promote savings in F.C by offering a secure and profitable F.C deposit product to the depositors/investors by sharing a portion of the profit, to be earned out of the investment of their funds as per Islami Shariah.
- c) To extend the Profit-based Bank’s Deposit Scheme for mobilization of remittances of Bangladeshi expatriates to increase the opportunity for their income generation and increase in the wealth of individual and of the nation.

Eligibility of the Persons/Firms for Opening MFCD A/C

- a) All non-resident Bangladeshi Nationals and persons of Bangladesh origin including those having dual nationality and ordinarily residing, abroad.
- b) Bangladeshi Nationals who bring foreign exchange at the time of their return from travel abroad.
- c) Foreign Nationals residing in Bangladesh and also Foreign Firms registered abroad and operating in Bangladesh.
- d) Foreign missions and their expatriate employees.
- e) Exporters out of their Exporter’s Retention Quota.

Opening of the A/C (Currency, Type and Withdrawal)

A/C may be opened in US Dollar or other eligible currencies at the option of the A/C holder (However, at the moment, deposit in such A/C will be accepted only in US. Dollar)

Procedure/Requirement for Opening of MFCD A/C

- The MFCD A/C will be opened with any A/D Branch of the Bank.
- Related A/C opening form duly filled in and signed by the A/C holder.
- In case of nomination, Signature of the nominee in the A/C opening form to be attested by the A/C holder.
- Copy of National ID Card of Nominee is also required if Nominee is a Bangladeshi National or resides in Bangladesh.
- Photocopy of valid passport (up to VISA pages).
- Passport size photographs of A/C holder 2 copies.

- Nominee's Photographs 2 copies (if there be any) duly attested by the A/C holder.
- Service contract /selection letter /Appointment letter/VISA and other relevant papers regarding occupation.
- A/C will be opened with the approval of the Branch Manager and the A/C number to be allotted to the client also to be inserted on A/C opening form.
- The particulars of A/C opening form shall be entered in the A/C opening Register serially.
- KYC procedure to be followed properly to comply with the Anti-Money Laundering Act.

Monthly Installment Based Marriage Savings Investment Scheme (MIS)

Monthly Deposit Based Marriage Savings and Investment Scheme Rules

Savings

- Saving period: 3 years, 5 years, 8 years.
- Monthly Installment Rate, Taka 250/-, Taka 500/-, Taka1000/-
- Deposits of this scheme will be accepted on the basis of Islamic Shariah Mudaraba principles.
- According to the actual calculation, the profit amount will be credited to the customer at the end of every year. The actual profit at the end of the period may be less than the estimated profit.
- Prescribed form should be used for opening account under the project.
- The depositor can choose any installment while opening the account. However, it cannot be changed later and the same person cannot open multiple accounts.
- Accounts can be opened in the name of minors under this scheme.
- Normally withdrawal cannot be done before maturity. However, due to unavoidable reasons, if a depositor wants to withdraw his accumulated money before the maturity, then withdrawal will be allowed. However, for the period of deposit, interest will be paid on the money deposited in the Mudaraba savings account at the prescribed rate and rules.

Investment

The sole objective of this project is to help marriageable women and men in marriage

Investment facilities may be provided in favor of the concerned customer. The investment facility received under the said scheme cannot be used for any purpose other than purchase of wedding gifts. Investment must be made after confirmation of customer's availability.

Under the said scheme, twice the accumulated amount with profit or Taka. 30,000/- (whichever is less) will be given investment facility.

Under the said scheme, no collateral other than the personal guarantee of any individual and family members acceptable to the bank shall be provided. However, the purchased goods of the investment facility provided shall be treated as primary collateral.

Other contemporaneous regulations shall be applicable in the case of investment approval and the bank authority may at any time change, extend, modify or cancel any regulations related to the said project.

Customer Qualifications

1. Adult, healthy, men and women engaged in any profession can open an account under this scheme.
2. Legal guardians can also open this account on behalf of a minor.

Investment facility will be provided for purchase of materials

1. Gold ornaments
2. Furniture- such as: bed, almirah, sofa set, carpet, dressing table, showcase etc. and other items used in the kitchen.
3. Washing machine and sewing machine.
4. Motor cycle, bicycle.
5. Fridge, deep freeze.
6. Ceiling fan, table fan, pedestal fan etc.

Investment method

- a) Bai-Muazzal b) Hire purchase on partnership basis.
- b) Hire purchase on partnership basis.

Profit/Rent

At the rate applicable on the net investment of the bank.

Other regulations

- If a customer fails to pay three consecutive installments, the concerned branch will take possession of the equipment given to the customer by the bank.
- Necessary license, registration, insurance cost etc. of the supplied equipment shall be borne by the customer.
- All repairs and maintenance of equipment supplied shall be borne by the customer.
- The customer shall use the equipment supplied with due care and the respective customer shall be responsible for any damage caused to the equipment due to improper use.
- The customer shall be obliged to allow the equipment provided to him to be inspected by the representative of the bank and the supervising agency if necessary.
- The customer shall inform the branch with the changed address as soon as he changes his place of work (if any) and residence.
- The bank authority may change, extend and modify any regulations related to the said account and the account holder will be obliged to comply with the same.

Farmer & Freedom Fighters Account

Contract terms and accounting rules

- This account can be opened in the name of any Bangladeshi farmer/freedom fighter subject to compliance with the relevant rules. In order to facilitate the process of opening the account including encouraging the farmers/freedom fighters, the account can be opened without any deposit and the account opening and management expenses will be borne by the bank. However, after verifying the relevant documents and making necessary inquiries by the Branch Manager, the applicant (farmer/freedom fighter) can be covered under this facility.
- National Identity Card/Birth Registration Card/Passport/Agricultural Input Support Card issued by Department of Agriculture Extension in case of Farmer and National Identity Card in case of Freedom Fighter and 02 copies of Account Holder with attested photocopy of 'Muktijoddha Sammanmi Bhata Pahim Bahi' (Attested by Identity Provider) and One copy of nominee's recent passport size color photograph (attested by the account holder) should be submitted at the time of account opening.
- At the time of account opening, introduction should be provided by any customer/person acceptable to the bank. If the farmers/freedom fighters are inexperienced in opening/managing accounts, they will be given all-out assistance by the branch authorities.
- ID card with name and photo will be provided to the account holder by the bank authority. Generally, through vouchers, the account holder can withdraw money from the respective account by showing the ID card provided by the bank. However, check books can be issued if required by the account holder and charges will be payable at the applicable rate in that case.
- No service charge/account maintenance fee (Account Maintenance Fee) and no charge will be collected against providing voucher book or identity card (ID Card) from this account.
- As such there is no obligation to maintain minimum status to pay profit. Profit will be paid as per daily status.
- Foreign currency can be remitted as such and the customer can withdraw money remitted from abroad by check. The account holder can use this account for receiving investments. Accordingly, profit is paid twice a year (in June and December) at the provisional rate, which is adjusted/deposited on the basis of the annual final profit/loss account. VAT, tax or duty is deducted from the said account as per government rules. If the account is closed before the annual profit and loss account is closed, Provisional Profit is paid at a provisional rate, subsequently, if the final rate announced after the final rate of profit is announced is higher than the provisional rate, it will be paid to the account holder as savings / through pay order. There will be no claim from the bank if the declared final rate is lower than the temporary rate. Balance Confirmation Certificate is provided to the account holder twice a year on quarterly and annual basis without any charge. If no written complaint is received within 30 (thirty) days, the account status is assumed to be correct. As a customer, the bank carefully assesses/destroys. Error: The Bank reserves the right to correct any amount miscalculated/miscalculated.
- Bank can close any account without giving any reason / notice.

- In case of any change in the address of the account holder, the same should be reported to the bank immediately. Banks generally maintain communication with account holders through post/courier. The Bank shall not be responsible if any correspondence sent by post/courier is not delivered on time or at all.
- Nominee/Nominees have to submit the following documents/certificates for withdrawing the deposited amount of the attached account after the death of the account holder.
 - (a) Application form with passport size attested photograph of the nominee/s.
 - (b) Accountant's Death Certificate issued by Registered Doctor/'Union Council Chairman/ City Corporation or Ward Commissioner of Municipality. In case of death abroad, the death certificate must be countersigned by the Bangladesh Embassy/Consular office located in the country concerned.
 - (c) Attested photocopy of National ID Card/Passport.
 - (d) Certificate issued by Local Union Council Chairman/City Corporation or Ward Commissioner of Municipality in favor of nominee/nominees.
 - (e) Indemnity bond paid by the nominee/nominees in non-judicial stamp of Taka150/-.
- If ordered by the government, court, central bank or any other appropriate authority, the bank can provide all the information related to the customer's account without the customer's permission.
- According to Anti-Money-Laundering Act, Anti-Terrorism Act and circulars/policies issued from time to time by Anti-Money-Laundering Department of Bangladesh Bank, the customer shall be obliged to provide information as per the requirement of the bank and manage the account accordingly.
- According to the Anti-Money Laundering Act, Anti-Terrorism Act and the circulars/policies issued by Bangladesh Bank's Anti-Money Laundering Department from time to time, the customer will be obliged to provide information as per the bank's requirements and manage the account accordingly.
- Farmers/Freedom Fighters Mudaraba Savings Account is a mudaraba agreement based on Islamic Shariah between the depositor and Al-Arafah Islami Bank Limited.
 - A. Here the depositor is the 'Sahibul-Mal' (owner of the money) and the bank is the 'Mudarib' (operator of the business).
 - B. Based on 'Mudarab' principles prescribed by Islamic Shariah, the bank accepts deposits and invests in accordance with Shariah.
 - C. The bank distributes 70% of the income received by investing mudaraba funds among the mudaraba depositors on weightage basis. Mudaraba depositors bear the loss in case of investment.

Besides, other terms and conditions of Mudaraba agreement will be applicable for the said account.

- In addition to the above rules regarding accounting — any dispute/complexity arising, the matter shall be settled as per the prevailing laws and rules of the country.
- The Bank may, as per specific requirements, modify, extend, amend or cancel any rules relating to this account and include any new rules/rules which the account holder and custodian shall be bound to comply with.

Mudaraba Probashi (immigrant) Kallyan (development) Deposit Pension Scheme (MPDPS)

Rules of Mudaraba Probashi Kalyan Deposit Pension Scheme

- Only expatriate Bangladeshis can open one or more deposit accounts under this scheme in their own name or in the name of their nominee/pet.
- Duration of the scheme: 5 years.
- Customers will not have to bear income tax on the profit earned under this scheme.
- The amount of monthly deposit is taka 3750/-, 6300/-, 8800/-, 12600/- and 15100/- respectively. In this scheme the profit is more than the normal deposit scheme.
- Under this scheme, expatriate Bangladeshis can receive money for pension allowance on a one-time or monthly basis at the end of the specified period along with the bank profit.
- Based on Islamic Shariah-based Mudaraba principles, deposits are accepted as such.

Accounting rules

- Attested photocopies of passport and visa/work permit should be accompanied with the account opening application.
- Foreign remittances equal to the amount of the monthly installment deposit account opened by expatriates shall be sent to the branch of Al-Arafah Islami Bank in which the account has been opened through the designated bank/exchange company/money transfer company of Al-Arafah Islami Bank.

Accountability

- (a) Lump sum payment at maturity or pension at increased rate for next 10 years.
 - (b) Monthly installments can be deposited on any working day. Advance deposit of installments of any amount will always be acceptable.
 - (c) Attractive profit even if broken before maturity.
09. Under this scheme the depositor cannot withdraw any money before the maturity date. However, due to unavoidable reasons, if a depositor wants to withdraw the accumulated money before the maturity date -
- (a) If the account period is less than 6 (six) months, no dividend will be received.
 - (b) If the account term is more than 6 (six) months but broken within 3 years, Mudaraba will get back the original amount with profit at the rate of savings account.

(c) If the account tenure is more than 3 months, the customer will get back the original amount with profit at the rate of 1% higher than the Mudaraba savings account.

(d) If the account holder fails to deposit 6 instalments, the account shall be deemed to be closed. In this case, the policy mentioned in paragraph 11 above will be applicable.

Investment benefits

10. Deposit Receipt Deposit (Pledge) / up to 80% of the deposited money can be invested in Baimuazzal, Murabaha-T, or MPI-T, and for a maximum period of 1 year. The bank has to pay profit at the applicable rate for this investment.

If the depositor dies

11. In case of death of the depositor the transaction as concerned shall cease, but the profit shall be payable as usual as applicable. The money deposited along with the profit will be paid to the nominee. If there is no nomination, the deposit along with profit will be paid to the legal heirs of the depositor with inheritance certificate.

Others:

12. Under this scheme, the depositor can give standing instruction to the branch for paying regular installments from his account saved in the respective branch.

13. Profit may be reduced proportionately for deferred installments.

14. In the light of the Prevention of Money Laundering Act, the Bank reserves the right to take necessary action as per Bangladesh Bank regulations.

15. The Bank Authority may at any time modify, extend, amend or cancel any of the rules relating to Mudaraba Probashi Kalyan Deposit Pension Scheme (MPDPS) in whole or in part and the depositor shall be bound to comply with the same.

Cash Waqf Deposit Scheme (CWD)

Accounting Rules

- The account is an Islamic Shariah based Mudaraba agreement executed between the depositor and Al-Arafah Islami Bank Ltd.
- Mudaraba waqf deposit is accepted as perpetual endowment. This account cannot be closed once opened.
- Here the depositor is the Sahib-al-Mal and the bank is the Mudarib.
- Based on the principles described in Islamic Shariah, the bank accepts deposits and can invest the deposited money only in accordance with Islamic Shariah.
- The Bank will distribute at least 70% of the income received by investing the Mudaraba Fund among “Sahib Al-Mal” according to the prescribed weightage. Sahib-al-Mal will bear the investment loss. Besides, other terms and conditions of Mudaraba agreement as described in Islamic Shariah will be applicable.

- The designated sectors listed by the Bank for this purpose are as follows and the Waqif has the right to choose from among the listed sectors below or any sector approved by Islamic Shariah. Account Management Rules:
- Any adult Bangladeshi citizen of sound mind can open this account by filling the application form at any branch of Al-Arafah Islami Bank Ltd.
- The waqf can open a waqf account by depositing his fixed sum in one-time cash or he can open a waqf account by depositing a minimum of Taka10, 000/- (ten thousand) only. At the next stage, you can deposit one thousand rupees or its multiples. If necessary, this account can be opened in foreign currency subject to compliance with the relevant laws and conditions.
- Cash Waqf deposits will be accepted through printed receipts and when the declared amount is fully deposited, a receipt will be issued for the principal amount deposited as Waqf.
- Profits earned as Waqf can be managed in one or more SND/ Savings/ Current Account Branches for distribution and transfer as per the wish of the Waqf.
- Al-Arafah Islami Bank Ltd. may issue a standing order to deposit the prescribed installments as Waqf (subject to approval) from the current/savings/SND account maintained by the Waqif. Excise duty/other taxes/service charges will be deducted from this account as per government instructions/bank norms.
- In case of death of waqf the profit of waqf account shall be spent in the sector/purpose prescribed by him. In this case, if the amount deposited is less than the declared amount, the heir(s) of the deceased can deposit the remaining amount.
- Since Mudaraba Waqf Fund is managed on Mudaraba principle, the amount of money given as waqf may not be constant. According to the mudaraba principle, if there is any loss in the business, it will be adjusted by deducting it from the waqf deposit. It may be noted that only the dividend will be spent on the sectors/purposes directed by the waqif. The distributed profit will automatically be added to the Moolwaqf account and will earn regular profit on it.
- Waqf Management Committee will manage the Waqf Fund. If any doubt or complaint is raised due to mismanagement of waqf fund or any other reason, then the waqf management committee will review the matter and the decision of this committee will be considered final.
- Under this scheme, the bank pays the profit on the anniversary of the respective waqf account. However, if a waqf is interested in taking monthly profit, a waqf account based on paying monthly profit can be opened. In that case, no part of the profit can be kept undistributed. That is, the profit of the respective month must be distributed in that month. The Waqfi may direct the Bank to spend all/partial profits on its designated purpose/sector.
- No check book is provided for this account. The cash waqf account will also be maintained in a separate ledger.
- In the case of installment based account, if the waqif fails to deposit the installments, then the profit will be paid on the installments that have been deposited within the specified period.

- If the waqf or the heir/nominee fails to pay his/her installments on his/her account, he/she shall request in writing that he/she is unable to deposit the installments of the declared amount of waqf account. Thereafter, subject to the approval of the Branch Manager, a cash waqf receipt will be issued for the amount of money deposited so far as waqf.
- If the sector/purpose for which the profit of the Waqf account is to be spent is terminated/non-existent/exhausted then the other sector/purpose of the said profit expenditure must be mentioned in the special instructions while opening the account. If it is not mentioned or any complications arise, in this case the Waqf Management Committee will decide to spend the profit for a similar purpose, in which case the decision of the committee will be considered final.
- According to the Prevention of Money Laundering Act-2009 and circulars/policies issued by the Prevention of Money Laundering Department of Bangladesh Bank at various times, the customer will be obliged to provide any information as per the demand of the bank.
- The Bank reserves the right to change, extend, add, subtract, and amend the rules and regulations of this scheme from time to time if necessary.
- 26 sub-sectors have been mentioned under four sectors for Cashwaqf. However, this sub-sector may be Shariah compliant. The waqif can instruct the bank to distribute the cash waqf profits as per the following sectors.

Rehabilitation of poor families:

- Development of the condition of the real poor
- Full accommodation for disabled and underprivileged people
- Beggars full of food
- Full housing of destitute women
- Development of urban slum dwellers

Education and Culture:

- Education of orphans i.e. providing free books and clothes
- Development and expansion of proper education for skill development
- Assistance in education of indigent deserving students by providing scholarships
- Financial Assistance to School/College/Maktab/Mosque/Madrasah/Orphanage/Hefjat Khana
- Education and full housing support for the disabled
- Assistance in education of remote and neglected areas
- Support appropriate dependent pets
- Parents and pets welfare education research, religious and social service project support

Healthcare:

- Assistance in the development of rural health services
- Assistance in setting up hospitals/clinics/health care for the poor

Social Development:

- Assistance in marriage of poor girls

- Assistance in maintenance of Public Service Public Mosque/Idgah/Cemetery
- Assistance in provision of water and sewage system in poor living areas
- Assistance in dowry free marriage of poor girls
- Road maintenance and tree planting in rural areas
- Public service activities Assistance in construction, repair and development of roads, bridges, culverts
- Public service assistance
- Making new Muslims full of life
- Helping peace loving non-Muslims and solving their problems
- Celebration of various Islamic festivals
- Financing for self-employment of confirmed unemployed youth.
- Others

Mudaraba Short Notice Deposit (MSND)

Terms of contract

A. Mudaraba Special Notice Account (MSND) is an Islamic Shariah based Mudaraba agreement executed between the depositor and Al-Arafah Islami Bank Limited.

B. Here the depositor is the 'Sahibul-Mal' (owner of the money) and the bank is the 'Mudarib' (operator of the business).

C. Based on 'Mudarab' principles prescribed by Islamic Shariah, the bank accepts deposits and invests in accordance with Shariah.

D. The bank distributes 70% of the income received by investing mudaraba funds among the mudaraba depositors on weightage basis. Mudaraba depositors bear the loss in case of investment.

d. Apart from this, the other terms and conditions of the Mudaraba Agreement shall apply for the said account.

Accounting Rules

- This account can be opened by initially depositing a minimum amount of Taka 5,000/- or more. No profit is paid if the minimum balance falls below Taka 5,000/- as prescribed by the bank. A minimum amount of Government Duty at the applicable rate must be maintained, otherwise the Bank reserves the right to return any check.
- At the time of account opening, 02 copies of passport size photograph, passport/national identity card/citizenship certificate issued by the ward commissioner or Union Council chairman or identity card issued by the employer or certificate issued by a person acceptable to the bank/financial institution have to be provided.
- Only sane and adult person or group of persons can open account in single or joint name and in any government organization, private organization, educational institution, religious institution, club, association, socio-economic institution, business institution.
- At the time of account opening, introduction by any customer/person acceptable to the bank should be provided.

- The customer has to fill up the Check Book Issue Requirement section in the account opening application form for the first check book and subsequently apply for a new check book through the requisition slip provided in the check book.
- If the check book issued by the bank is lost, the matter shall be entered in the general diary at the nearest police station and the account holder with its attested copy shall personally appear at the concerned branch and submit a written request for issuance of a new check book. Under no circumstances shall a new check book be handed over to a third person other than the customer (even if authorized in writing by the account holder) in lieu of a lost check book. If the signature given on the said request form appears to be correct upon inspection by the branch manager, he will attest with his own signature. The condition of GD entry/personal appearance at the police station may be relaxed if the branch manager is personally satisfied about the fact of loss of check in case of any valuable customer of the branch.
- Provisional rate of profit is paid twice a year (in June and December) as mentioned, which is adjusted/deposited on the basis of annual final profit/loss account.
- If the account is closed before the finalization of the annual profit and loss account, Provisional Profit is paid at the provisional rate, subsequently, if the final rate announced after the final rate of profit is announced is higher than the provisional rate, it will be paid to the account holder as savings / through pay order. If the announced final rate is less than the provisional rate, there will be no claim from the bank.
- In case of this account, money can be deposited during the transaction on any date of the month. Profits are paid based on daily status on deposited money.
- A minimum of 07 (seven) days' notice must be given to withdraw money from the account. If money is withdrawn from this account without prior notice of at least 07 (seven) days, the customer will not be entitled to any profit for that month. Notice shall be given separately for each withdrawal and no back dated notice shall be accepted.
- Balance Confirmation Certificate is provided to the account owner twice a year on quarterly and annual basis without any charge. If no written complaint is received within 30 (thirty) days, the account status is assumed to be correct. If the certificate is to be taken more than twice in a year, the charge will be payable at the applicable rate.
- Generally, money cannot be withdrawn by any means other than a check issued by the bank.
- As a customer, the bank carefully assesses/destroys. Error: The Bank reserves the right to correct any amount miscalculated/miscalculated.
- The bank does not pay Zakat from the customer's account on any deposit. The customer has to pay zakat at his own responsibility.
- The account holder can close the account by making a proper application by returning the unused check book and paying the prescribed account closure fee.
- Bank can close any account without showing any reason / giving notice.
- In case of any change in the address of the account holder, the same should be reported to the bank immediately. Banks generally maintain contact with the account holder by post/courier. The Bank shall not be responsible if any correspondence sent by post/courier is not delivered on time or at all.

- VAT, tax or duty will be deducted from the said account as per government regulations.
- Minimum balance fee/incidental charge/ledger fee/service charge is not collected from this account. Account Maintenance Fee (Account Maintenance Fee) on six-monthly basis only and account closure charges in case of account closure will be payable at the applicable rate. The account holder/account holders can nominate a nominee to pay the deposited amount after his/her death. In this case, the nominee/nominees have to submit the following documents/documents in favor of nomination along with his/her application form for withdrawing the amount deposited in the respective account.
- In case of death
 - (a) Death certificate of the account holder. Expatriate death certificate should be countersigned by the Bangladesh Embassy/Consular office located in the concerned country.
 - (b) National Identity Card.
 - (c) Certificates issued by two esteemed customers of the bank or two officers of the bank or local union council chairman/ city corporation or ward commissioner of the municipality in favor of the identity of the nominee/nominees.
 - (d) Passport size attested photograph of the nominee/s.
 - (e) Payment of indemnity bond by nominee/s.
- If there is no agreement, in case of death of one or more of the account holders in the name of two or more persons, the amount due shall be received by the surviving customers/nominees as per law and rules. If any investment money related to said account/account is owed to the bank, the survivor or survivors are bound to pay the same.
- All the accounts which have attachment order of the court or the appropriate court or any other relevant authorities have restrictions on the management of the account will be marked separately (be ruled off) and the management of the account will be stopped until the said ban is withdrawn.
- Bank reserves the right to exercise General Lien/Banker's Lien or any other equitable rights on the deposit status held by the account holder and to pay the bank's dues by exercising the same.
- If ordered by the government, court, central bank or any other appropriate authority, the bank can provide all the information related to the customer's account without the customer's permission.
- According to the Prevention of Money-Laundering Act, Anti-Terrorism Act and the circulars/policies issued by Bangladesh Bank's Prevention of Money-Laundering Department from time to time, the customer shall be bound to provide information as per the bank's requirements and manage the account accordingly.
- According to the Bank Company Act of 1991, if there is no transaction for 10 (ten) years and beyond, the account is considered as unclaimed and the status of the account is transferred to Bangladesh Bank.

- In addition to the above rules, if any dispute/complexity arises regarding the accounts, the matter shall be settled as per the prevailing laws and rules of the country.
- The Bank may, as per specific requirements, change, extend, modify or cancel any rules related to this account and include any new rules/rules which the account holder/holders will be bound to comply with.

Mudaraba Aman Deposit Scheme (Probable Millionaire)

Accounting Rules

- Scheme Duration: 3 years, 5 years, 8 years, 10 years, 12 years.
- The amount of monthly deposit is Taka 2,325/- 1,275/- 645/- 450/- 330/- respectively.
- Deposits are accepted as such based on Mudaraba policy. The main attraction of this scheme is that the profit is given on the basis of daily status on the deposited amount.
- Customer can choose any installment while opening account under this scheme. But it cannot be changed later. The same person can open multiple accounts in the same branch at different installments.
- Prescribed form should be used for opening account under this scheme.
- Under this scheme the depositor cannot withdraw any money before the maturity date. However, due to unavoidable reasons, if a saver wants to withdraw the accumulated money before the maturity date - (a) If the savings period is less than 06 (six)–months, the account holder will not receive any dividend, (b) If the savings period is more than 06 (six) months, Mudaraba will be charged according to the rate indicated in the savings account. Get dividends.
- Monthly installments can be deposited on any working day. Advance deposit of installments of any amount will always be acceptable.
- The bank reserves the right to close the savings scheme account if any depositor fails to deposit 5 consecutive installments. In that case, the depositor will be paid the Mudaraba savings account rate and dividend as per rules.
- The actual profit amount at the end of the period may be less than the estimated profit amount.
- The amount due at the end of any term is paid one month after the last installment is deposited.
- In case of death of the depositor, the transaction will be closed as related. The money deposited along with the profit will be paid to the nominated person. If there is no nomination, the deposited amount along with profit will be paid to the legal heirs of the depositor with heir ship certificate.
- No monthly statement will be issued against this account. However, if the account statement is provided for the special needs of the depositor, the bank's prescribed charges will be applicable in that case.
- The depositor can make one-time withdrawal of the deposited money along with the estimated profit at the end of the specified period.

- Any Bangladeshi citizen above 18 years of sound mind can participate in this scheme. However, this account can be opened in the name of minors below 18 years. In that case the account will be managed by the minor's guardian.
- Taxes/duties are deducted from the said account as per government rules.
- Under this scheme, the depositor can give standing instruction to the branch to pay regular installments from his account saved in the respective branch. In that case, the fee fixed by the bank will be applicable.
- In the light of Prevention of Money Laundering Act, the Bank reserves the right to take necessary action as per Bangladesh Bank regulations.
- In case of change in the fixed address of the depositor, the same should be immediately informed to the bank.
- The Bank Authority may at any time change, extend, amend or cancel any of the rules relating to this scheme and the depositor shall be bound to comply with the same.

Mudaraba Ahsan Deposit Scheme (Probable Millionaire)

Terms of contract

Mudaraba Millionaire Deposit Account is a Mudaraba agreement as per Islamic Shariah executed between the customer depositing money and Al-Arafah Islami Bank Limited.

- A. Here the depositor is the 'Sahibul-Mal' (owner of the money) and the bank is the 'Mudarib' (operator of the business).
- B. Based on 'Mudarab' principles prescribed by Islamic Shariah, the bank accepts deposits and invests in accordance with Shariah.
- C. The bank distributes 70% of the income received by investing mudaraba funds among the mudaraba depositors on weightage basis. Mudaraba depositors bear the loss in case of investment.
- D. Apart from this, other terms and conditions of Islamic Shariah Mudaraba agreement shall apply for the said account.

Accounting Rules

- Scheme tenure: 3 years, 4 years, 5 years, 6 years, 7 years, 10 years, 12 years, 15 years, 20 years.
- Amount of monthly deposit Taka 23,200/- 16,400/- 12,700/- 10,020/- 7,820/- 4,500/- 3,330/- 2,190/- 1,175/- respectively
- Deposits are accepted as such based on Mudaraba policy. The main attraction of this scheme is that the profit is given on the basis of daily status on the deposited money.
- Customer can choose any installment while opening account under this scheme. But it cannot be changed later. Same person can open multiple accounts with different installment rates).
- Prescribed form should be used for opening account under this scheme.
- Under this scheme the depositor cannot withdraw any money before the maturity date. However, due to unavoidable reasons, if a saver wants to withdraw the accumulated money

before the maturity date - (a) If the savings period is less than 06 (six)–months, the account holder will not receive any dividend, (b) If the savings period is more than 06 (six) months, Mudaraba will be charged according to the rate indicated in the savings account. You will get dividends.

- Monthly installments can be deposited on any working day. Advance deposit of installments of any amount will always be acceptable.
- The bank reserves the right to close the savings scheme account in case of failure to deposit three consecutive installments. If a saver fails to deposit more than three consecutive monthly installments, his savings account will be treated as Mudaraba Ordinary Savings Account instead of Millionaire's Deposit Scheme and dividends will be paid on the said account as per Mudaraba Savings Account rate subject to maturity of minimum six months.
- In case of special needs, the depositor can take maximum 80% investment benefit against the deposited money as per the rules.
- The actual profit amount at the end of the period may be less than the estimated profit amount.
- The amount due at the end of any term is paid one month after the last installment is deposited.
- In case of death of the depositor, the transaction will be closed as related. The money deposited along with the profit will be paid to the nominated person. If there is no nomination, the deposited amount along with profit will be paid to the legal heirs of the depositor with heir ship certificate.
- The statement of accounts is generally provided on an annual basis. However, if the bank provides the account statement at the depositor's need, then the bank's prescribed charge is applicable.
- The depositor can make one-time withdrawal of the deposited money along with the estimated profit at the end of the specified period.
- Any Bangladeshi citizen above 18 years of sound mind can participate in this scheme. However, this account can be opened in the name of minors below 18 years. In that case the account will be managed by the minor's guardian.
- The customer can close the account at any time before the expiry date by paying the service charge determined by the bank.
- Taxes/duties are deducted from the said account as per government rules.
- Under this scheme, the depositor can give standing instruction to the branch to pay regular installments from his account saved in the respective branch. In that case, the fee fixed by the bank will be applicable.
- In the light of the Prevention of Money Laundering Act, the Bank reserves the right to take necessary action as per Bangladesh Bank regulations).
- In case of change in the specified address of the depositor, the same should be reported to the bank immediately.
- The Bank Authority may at any time change, extend, amend or cancel any of the rules relating to Mudaraba Millionaire Deposit Scheme and the depositor shall be bound to comply with the same).

Mudaraba Ahsan Plus Deposit Scheme (Probable Multimillionaire)

Accounting Rules

- Scheme Tenure: 3 years, 4 years, 5 years, 6 years, 7 years, 10 years, 12 years, 15 years, 18 years, 20 years
- Amount of monthly deposit respectively taka 2,44,000/- 1,75,300/- 1,35,000/- 1,08,000/- 88,000/- 54,000/- 41,000/- 28,600/- 20,700/- 16,900).
- Deposits are accepted as such based on Mudaraba policy. The main attraction of this scheme is that the profit is given on the basis of daily status on the deposited money. To give more priority to this deposit, profit is paid on the basis of 1.05 weightage. Which is 0.05 more than the weightage of 3 years deposit.
- Customer can choose any installment while opening account under this scheme. But it cannot be changed later. The same person can open multiple accounts in the same branch with different installment rates.
- Prescribed form should be used for opening account under this scheme.
- Under this scheme the depositor cannot withdraw any money before the maturity date. However, due to unavoidable reasons, if a depositor wants to withdraw the accumulated money before maturity - (a) If the deposit period is less than 6 (six) –months, he will not get any dividend, (b) If the deposit period is more than 6 (six) months, he will get the dividend according to the Mudaraba savings account rate. .
- Monthly installments can be deposited on any working day. Advance deposit of installments of any amount will always be acceptable.
- The bank reserves the right to close the savings scheme account in case of failure to deposit three consecutive installments. If a depositor fails to deposit more than three consecutive monthly installments, his savings account will be treated as Mudaraba Ordinary Savings Account instead of Multimillionaire Deposit Scheme and dividends will be paid on the account as per Mudaraba Savings Account rate subject to a minimum maturity of six months.
- In case of special needs, the depositor can take maximum 80% investment benefit against the deposited money as per the rules.
- The actual profit amount at the end of the period may be less than the estimated profit amount.
- The amount due at the end of any term is paid one month after the last installment is deposited.
- In case of death of the depositor, the transaction will be closed as concerned. The money deposited along with the profit will be paid to the nominated person. If there is no nomination, the deposited amount along with profit will be paid to the legal heirs of the depositor with heir ship certificate.
- The statement of accounts is generally provided on an annual basis. However, if the bank provides the account statement at the depositor's need, then the bank's prescribed charge is applicable.
- The depositor can make one-time withdrawal of the deposited money along with the estimated profit at the end of the specified period.

- Any Bangladeshi citizen above 18 years can participate in this project. However, this account can be opened in the name of minors below 18 years. In that case the account will be managed by the minor's guardian.
- The customer can close the account at any time before the expiry date by paying the prescribed service charge.
- Taxes/duties are deducted from the said account as per government rules.
- Under this scheme, the depositor can give standing instruction to the branch to pay regular installments from his account saved in the respective branch. In that case the prescribed service charge will be payable).
- In the light of the Prevention of Money Laundering Act, the Bank reserves the right to take necessary action as per Bangladesh Bank regulations.
- In case of change in the fixed address of the depositor, the same should be reported to the bank immediately.
- The Bank Authority may at any time change, extend, amend or cancel any rules relating to Mudaraba Multimillionaire Deposit Scheme and the depositor shall be bound to comply with the same).

Chapter iv

Findings

- The bank stores it's all kinds of data in online. Sometime lack of internet speed create a barrier in the working process.
- The officers use computers to complete almost all kind of activities. Sometimes some computers does not work properly which causes an obstacle in the banking activities.
- Sometimes it is hard for the general banking officers to manage the customers when the customers in large in number. Shortage of general banking officers is the reason of this problem.
- Many customers come in the bank without proper documents and want to open bank account. The officers have to make these type customers understand that it is not possible to open a bank account without necessary documents. It is a time consuming matter to make these type of customers understand the matter.
- Many customers are not happy with the amount of profit they are offered from their accounts of the bank. The reason of their dissatisfaction is that they think the conventional banks is offering more profit than the Islami banks.
- The bank does not market itself through social media that much compared to it's competitors in the market.

Recommendations

- The bank needs to get an improved internet connection.
- The bank needs to get well developed computers by replacing the less developed computers.
- The bank needs to hire one or two more general banking officer. It will be sufficient to control the customers when the number of customers is high in the office.
- The bank need to create awareness about the necessity of the required documents to open a bank account.
- The customers who are doing this comparison between the profit offered from an account of this bank and an account of conventional bank are not aware of the fact that the Islami banks cannot invest their money in every type of business as all business does not comply with Shariah. So in my opinion it is very important to create awareness about this fact and make customers understand more about Islamic banks.
- The bank must market itself in social media properly. To do this they should hire experts who can market a company in social media. If this lacking can be filled-up then the number of customers will rise than current situation. Beside these it will also help the bank to create awareness about any kind of matter to its existing customers and potential customers.

Conclusion

Islami bank is now reality in Bangladesh. It is running competently, fluently and fittingly even though facing numerous internal and external threats. The economics of the country may be geared towards Islamic Principles and Teachings in order to realize the full potential of Islamic Banks in the long run. However, in the short run, Islamic banks can take a number of concrete steps to facilitate the Islamic Banking in Bangladesh. This report provides a vibrant knowledge about the general banking of Al-Arafah Islami bank Limited. AIBL started their journey in 1995 with the said principles of mind and to introduce a modern banking system based on Al-Quran and Sunnah. For the period of these 20 years of its operation, the bank has been extensively admired by the business community from small business persons to conglomerates for forward looking outlook and innovative financial solutions. The bank has to give huge concentration on better customer service and satisfaction. For ensuring more benefit, more facility from Islamic banks like AIBL customers have to be honest and more sincere to repay the taken money from these banks in time.

The customers who are doing this comparison is not aware of the fact that the Islami banks cannot invest their money in every type of business as all business does not comply with Shariah. So in my opinion it is very important to create awareness about this fact and make customers understand more about Islamic banks.

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