

Islamic Flexi Term Deposit (IFTD)

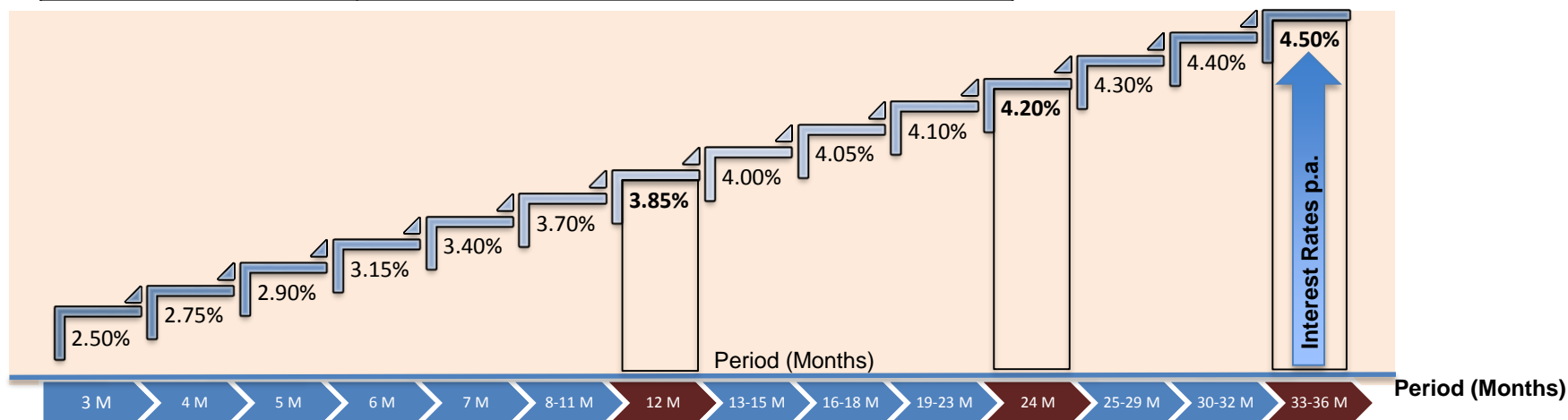
Date: 01 March 2019

Term Investment Deposit

Main Features of the Product

Currency	AED
Minimum Deposit Amount	Personal Account - AED 100,000 Commercial Account - AED 2,500,000
Tenor	1 year, 2 or 3 years tenor
Profit Rates	Profit paid at the time of full withdrawal (predefined)
Early Redemption	Possible, no penalty on full early termination; profit paid on predefined rates
Fixed Profit Rate	IFTD offers customers competitive rates up to 4.50 % per annum for the full 3 years and transparency with no hidden charges
Overdraft Facility Against Deposit	Available against the deposit under lien
Validity	For funds "New to Bank only"; rates valid until 31 st March 2019

- ❖ Fully Shari'ah Compliant
- ❖ Structured under Islamic Wakala Investment Concept
- ❖ One year minimum maturity. Investor can choose the deposit tenor of 1 year, 2 years or 3 years maturity
- ❖ Flexible, transparent and high returns compared to simple deposits
- ❖ Profit earned is paid on withdrawal date as per below graph
- ❖ Risk is reduced to a minimum



I/We have read and fully understood all the terms and conditions of the above special deposit scheme. Kindly debit my/our account number and place AED..... on the above mentioned term deposit starting from 2019 for a period ofyear(s).

Customer Name: Customer Signature:

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The profit rate is subject to change at the sole discretion of the bank. Please check the validity date before signing.



الخدمات المصرفية الإسلامية
Islamic Banking Services

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Term Investment Deposit

Frequently Asked Questions (FAQs)

○ **Q: Under which Islamic Concept does this product fall?**

Ans: Islamic Flexi Term Deposit (IFTD) is structured under Islamic Wakala Investment Concept by which the Bank (Wakil) acts as an Agent on behalf of the Customer (Muwakil) to invest in the Investment Amount (Deposit Amount) and returns with expected profits according to the tenor of the investment.

○ **Q: Can I withdraw my deposit at anytime?**

Ans: Yes, any deposit amount booked under the Islamic Flexi Term Deposit (IFTD) can be withdrawn at anytime.

* Redemption of the deposits before maturity is subject to a notice of at least two (2) UAE business days in writing.

* Zero profit is paid if deposit canceled before three months, otherwise applicable rate applied as per the graph.

○ **Q: How does the Profit computation in case of early termination?**

Ans: This product is launched as a 1, 2 or 3 Years deposit facility, offering transparency and flexibility.

* Anticipated Rates across the time buckets are predefined.

* No Penalty will be charged.

• Example 1: If a customer decides to place AED 1,000,000 in a 2 years deposit @ 4.20% expected profit, customer at the end of 2 years may receive AED 1,084,000⁽¹⁾. In case customer needs funds after 6 months, then Wakil incentive will be lowered pro-rata with the corresponding 6 months profit rate resulting in customer receiving a profit of 3.15% for 6 months i.e. AED 1,015,750⁽¹⁾.

• Example 2: If a customer decides to place AED 1,000,000 in a 3 years deposit @ 4.50% expected profit, customer at the end of 3 years may receive AED 1,135,000⁽¹⁾. In case customer needs funds after 100 days (which is more than 3 months and less than 4 months), then Wakil incentive will be lowered pro-rata with the corresponding 3 months profit rate resulting in customer receiving a profit of 2.50% for 100 days.

○ **Q: Is it possible to have this product in other currencies?**

Ans: We are offering rates only in AED, for this particular product.

⁽¹⁾ Provided that the return on investment is equal to the expected profit rate or higher

