

# Jersey Booking Centre Terms & Conditions – Islamic Products Addendum

January 2026

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## Important Notice

### You need to read this document.

This *addendum* applies to certain class of *products* referred to as *Islamic products*, more particularly described herein. The *addendum* is supplemental to and forms part of the *Jersey Booking Centre Terms and Conditions* and should be read together. This *addendum* applies to *Islamic products* only and in relation to the related *services* that we offer you from our offices in Jersey in relation to such *Islamic products*.

Standard Chartered Bank, Jersey Branch is regulated by the Jersey Financial Services Commission for Deposit Taking, Money Service and Investment Business. This means that we are obliged to comply with the relevant Codes of Practice and other guidance notes issued by the Jersey Financial *Services* Commission when providing the *products* and *services* to you under this *addendum*. The principal place of business of Standard Chartered Bank, Jersey Branch is PO Box 80, 15 Castle Street, St Helier, Jersey JE4 8PT. The Jersey Branch of Standard Chartered Bank is also an *authorised* financial *services* provider under license number 44946 issued by the Financial Sector Conduct Authority.

Standard Chartered Bank is incorporated in England with limited liability by Royal Charter in 1853 Reference Number ZC 18. The Principal Office of the Company is situated in England at 1 Basinghall Avenue, London, EC2V 5DD. Standard Chartered Bank is *authorised* by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority.

This *addendum* takes effect when you sign the account opening application or, if you have previously signed an account opening application, on the date you avail yourself of any *Islamic product* and you are presented with this *addendum*. Please direct any questions or queries that you may have in relation to this *addendum* to your *Private Banker*.

We may amend, vary or modify the provisions of this *addendum* and the conditions governing the *Islamic products* or *services* from time to time. Notice of any change to these this *addendum* will be given to you at least 30 days and beforehand unless it is impracticable in the circumstances or we are not required by law or regulations to do so. Any such change will become effective on the date specified in the notice unless you object in writing within those 30 days. Subsequent versions of these documents or changes to them will be sent to you.

If you do not object to the changes before the proposed date of their entry into force, you will be deemed to have accepted them. If you do not agree to any change, you may terminate this *addendum* in accordance with Section 1 Part E (Termination, Suspension and Enforcement) of the *Jersey Booking Centre Terms and Conditions*, and if you object to the changes, your objection shall be treated as notice to terminate this *addendum*. Termination of the *Jersey Booking Centre Terms and Conditions* will automatically entail the termination of this *addendum*.

This *addendum* is supplied in English. Any communications between you and us under this *addendum* will be in English.

If you need to contact us about any aspect of our relationship, please contact your *Private Banker*. If you are in any doubt as to the meaning or effect of any terms and conditions set out in this *addendum*, we recommend that you seek independent legal advice.

For the avoidance of doubt, to the extent any of your booking centre terms and conditions conflict or are inconsistent this *addendum* the terms of this *addendum* will prevail in respect of any *Islamic products* or *services* provided by us. This *addendum* is subject to *applicable laws*. If and to the extent that any provision of *applicable law* conflicts with any provision of this *addendum* and such provision of *applicable laws* cannot be varied contractually, such provision of *applicable law* shall prevail.

### Key words

The meaning of key words printed in italics *like this* are explained in [Section 3](#). Terms printed in italics in this *addendum* but not defined in Section 3 have the meaning given to them in Section 5 of the *Jersey Booking Centre Terms and Conditions*. Capitalised Terms in this *addendum* refer to those terms as defined in the relevant *annex* to this *addendum*.

## SECTION 1: GENERAL TERMS

### 1 Representations

- 1.1 You represent and warrant to us and each member of the *Standard Chartered Group* engaged in the provision of *Islamic products* or *services* to you that:
- you have not relied on any representation, statement or other communications from any member of the *Standard Chartered Group* in relation to the compliance of the *Islamic products* and this *addendum* with Shariah principles;
  - you have satisfied yourself independently and to the extent you deemed it necessary you have obtained independent advice from qualified advisers as to the compliance of the *Islamic products*, this *addendum* and the transactions contemplated thereby with Shariah principles; and
  - you will not raise any claim in the future based on any alleged non-compliance of the *Islamic products*, this *addendum* and the transactions contemplated thereby with Shariah principles;
- 1.2 You repeat these representations and warranties every time you apply for or use an *Islamic product* or effect any transaction on a *product* or account. You must notify us whenever anything happens which would mean you could not repeat these representations and warranties.

### 2 Interest

- 2.1 You recognize and agree that the principle of payment of interest is repugnant to the principles of Shariah and you and us waive any entitlement to payment of interest in relation to any *Islamic product* or *service* whether before or after judgement, whether on the basis of contract, *applicable law* or decision of any competent authority or otherwise.
- 2.2 If any term of the *agreement* may impose an obligation on us or you to pay interest, such provisions shall be disregarded for the purposes of this *addendum* in relation to any *Islamic product*.

### 3. Late payment amounts

- 3.1 If any sum due and payable by you under the *agreement* is not paid on its due date in accordance with the provisions of any this *addendum* or any *product agreement* you undertake to make a late payment amount.
- 3.2 We shall distribute any late payment amount (after deducting our actual costs and expenses not to include opportunity costs or funding costs) on your behalf to such charitable foundations as we may select in our absolute discretion.

## 4. General exclusion of liability

- 4.1 Unless a law prohibits us from excluding or limiting our liability, we (and any member of the *Standard Chartered Group*, and our or its directors and employees) are not liable for any *loss* you incur in connection with this *addendum* the booking centre terms and conditions or a *product agreement* or a *service agreement* (including in connection with the provision of any *product*, unavailability or improper functioning of an *electronic banking service*, delay or *error* in the transmission of any electronic payment transfer, delay in providing you *funds* under a *product agreement*, misrepresentation, your or an account signatory's or an *authorised* person's instructions or any *unauthorised* instructions, suspension or termination of an account or *product agreement*, our refusal to act on any instruction, or any other thing we do or do not do).
- 4.2 This applies where the *loss* arises for any reason, including:
- 4.2.1 your own failure to comply with your obligations under this *addendum*;
  - 4.2.2 your own gross negligence, fraud or wilful default; or
  - 4.2.3 our taking an action, or failing to take an action, where in our reasonable opinion our taking or failing to take such an action (as the case may be) is necessary to avoid a breach of any *applicable law*;
  - 4.2.4 and even if the *loss* was reasonably foreseeable or where we had been advised of the possibility of the *loss*.
- 4.3 This further applies to any *losses* you suffer that:
- 4.3.1 were not, at the time you entered into this *addendum*, a foreseeable consequence of our breaching this *addendum*;
  - 4.3.2 arise from any act or omission caused by *circumstances beyond our control*, including any act of God, government or state, natural disaster, war or other hostilities, terrorist activity, industrial action and any failure of power supplies, computer systems or communication lines, *exchange* closure, industrial action, acts and regulations of any public, regulatory or governmental authorities or clearing houses or settlement systems or failure by any third party for any reason to perform its obligations;
  - 4.3.3 are caused by any other person, system, institution or payment infrastructure beyond our control or the control of anyone working for us or on our behalf;
  - 4.3.4 as a result of the suspension of a *service* or the operation of your account; or
  - 4.3.5 are business *losses*, as opposed to your personal *losses*.
- 4.4 We are liable for your direct *loss* to the extent it is directly caused by our gross negligence, fraud or wilful misconduct.
- 4.5 You acknowledge that if any representation made by your relationship centre to you with respect to a *product* or *service* is not set out in a *product agreement* or *service agreement*, you may not rely upon such representation. We are not liable for any *loss* if your *Private Banker*, or any of our other employees or *agents* of your relationship centre, acts without authority.

- 4.6 You will reimburse us for any *loss* which we may suffer as a result of your breaching this *addendum*, and/or any other *agreement*, obligation or undertaking with any member of the *Standard Chartered Group*.

## 5. Circumstances beyond our control

- 5.1 We are not liable for any *loss* you incur in connection with our inability or delay in receiving or executing instructions due to any *circumstances beyond our control*. This includes any *loss* you suffer that is caused by any other person, system, institution or payment infrastructure beyond our control or the control of anyone working for us or on our behalf.
- 5.2 If any *circumstances beyond our control* occur, we may take any action we consider appropriate in connection with your account or any *product*.

## 6. Changes to this addendum

- 6.1 You acknowledge that various features of a *product* may be changed from time to time, including the commissions, fees, profit rates, the basis for calculating amounts payable without prior notice to you.
- 6.2 We may also vary this *addendum* for any of the following reasons by notice to you in accordance with our usual practice and in accordance with any *applicable law*:
- 6.2.1 where we reasonably consider that the change would make the terms easier to understand or fairer to you or the change would not be to your disadvantage; or
  - 6.2.2 to cover the improvement of any *service* or *product* we supply in connection with the account or the introduction of a new *service* or *product* or the replacement of an existing *service* or *product* with a new one; or
  - 6.2.3 the withdrawal of a *service* or *product* which has become obsolete, or has ceased to be widely used, or has not been used by you at any time in the previous 2 years; or
  - 6.2.4 to enable us to make reasonable changes to the way we look after your account or the way we provide *products* and *services* to you as a result of changes in the banking or financial system, technology or the systems we use to run our business; or
  - 6.2.5 as a result of a requirement under *applicable law* (or where we reasonably expect that there will be a change in the requirements under *applicable law*).
- 6.3 We may upgrade your account or enhance the *service* we provide to you if we reasonably consider this is to your advantage and there is no increased cost to you. We may make any change to any *product* or *service* (other than for accounts) which we reasonably consider not to be to your disadvantage immediately and tell you about it within 30 days of making the change.
- 6.4 If we have made a major change or a lot of minor changes in any one year, we will provide you with an updated copy of this *addendum*, as amended, or a summary of the changes.

## 7. Waiver

- 7.1. A provision of this *addendum* or a *product agreement*, or right created under it, may not be waived except in writing signed by the party or parties to be bound and is only effective for the purpose for which it is given.
- 7.2. If we fail to exercise any right or power under this *addendum* or delay our exercise of such right or power, that shall not amount to a waiver of such right or power. That means that we can still exercise that right or power against you even if we have not done so previously.

## 8. Outsourcing

- 8.1. We may employ independent contractors and *agents* (including correspondents) to perform any of our obligations under this *addendum* as we consider appropriate.

## 9. Delegation

- 9.1. We may delegate any of our obligations under this *addendum* to any other person(s), who may or may not be a member of the *Standard Chartered Group*. We will use reasonable care in the selection of the *agents* and delegates and will monitor their actions. We will be fully liable to you for their actions. Therefore if they do something that we asked them not to do or they don't do something that we did ask them to do, and this causes you *loss*, we will compensate you. However, we will not be liable for their bankruptcy or insolvency.

## 10. Standard Chartered Intellectual property

- 10.1. You will not use the “**Standard Chartered Bank**” name, logo or trademark or any other intellectual property belonging to the *Standard Chartered Group* for marketing or publicity purposes without our prior written consent.

## 11. Assignments and transfers

- 11.1. This *addendum* is personal to you. You must not in any way encumber, charge, declare a trust over, assign or transfer your rights and obligations under this *addendum* or a *product agreement* to anyone.
- 11.2. We may assign or otherwise deal with our rights under this *addendum* or a *product agreement* (including any particular *product* or account) in any way we consider appropriate. If we do this, you may not claim against any assignee (or any other person who has an interest in the *product* or account) any right of set off or other rights you have against us. If we ask, you must execute and give us or any other person we specify any document we reasonably require for this purpose.

## 12. Third party rights

- 12.1 This *addendum* does not create or confer any rights or benefits enforceable by any person not a party to it except
- 12.1.1 a person who is a permitted successor or assignee of the rights or benefits of this *addendum* or a *product agreement*; or
  - 12.1.2 a Person who is appointed as a Client's Agent in accordance with [Section III of Part 1 of Annex B](#) and [Section III of Part 2 of Annex B](#), may enforce those rights or benefits.
- 12.2 No consent from the persons referred to in this clause is required for the parties to vary or rescind this *addendum* or *product agreement* (whether or not in a way that varies or extinguishes rights or benefits in favour of those third parties).
- 12.3 We declare that we hold the benefit of the indemnities hereunder as bare trust severally (and not jointly) for ourselves and each other member of the *Standard Chartered Group* and you acknowledge and agree to the application and extent of the benefit of the indemnities to such persons. These several bare trusts shall carry no duty to preserve or enhance the value of the trust property pursuant to the Trusts (Jersey) Law 1984.

## 13. Compliance with laws

- 13.1 Nothing in this *addendum* or a *product agreement* requires us to do or not do anything if it would or might in our reasonable opinion constitute a breach of our policy or any *applicable law*, regulation, code of practice or requirement of any authority.
- 13.2 You agree that you are solely responsible for and that neither *Standard Chartered Private Bank*, nor *Standard Chartered Group* has any responsibility for your compliance with any laws, regulations or rules applicable to your use of the *services* provided by us under this *addendum* including, but not limited to, any laws, regulations or rules, in your or any other jurisdiction, relating to *tax*, foreign *exchange* and capital control, and for reporting or filing requirements that may apply as a result of your country of citizenship, domicile, residence or *tax-paying* status.

## 14. Severability

- 14.1 If and to the extent that an *applicable law* is inconsistent with this *addendum* in a way that would otherwise have the effect of making:
- 14.1.1 a provision illegal, void or unenforceable; or
  - 14.1.2 a provision contravenes a requirement of that law or impose an obligation or liability which is prohibited by that law, then the law overrides this *addendum* to the extent of the inconsistency, and this *addendum* is to be read as if that provision was varied to the extent necessary to comply with that law and avoid that effect (or, if necessary, omitted) and the remainder of this *addendum* will stand and be read as if that part were not included.
- If any term of this *addendum* is invalid, unenforceable or illegal in a jurisdiction, that term is read as varied or severed (as the case requires) only for that jurisdiction and the remainder of this *addendum* will stand and be read as if that part were not included.



## 15. Anti-money laundering and counter terrorism financing and sanctions

- 15.1 In order to comply with anti-money laundering laws, counter terrorist financing laws, regulations and policies, including our policies, reporting requirements under financial transactions legislation and requests of authorities, the *Standard Chartered Group* may be:
- 15.1.1 prohibited from entering or concluding transactions involving certain persons or entities;
  - 15.1.2 required to report suspicious activities, including transactions to an authority. Transactions impacted include those that may:
  - 15.1.3 give rise to grounds for suspicion of actual or attempted money laundering, or be relevant to an investigation into such;
  - 15.1.4 give rise to grounds for suspicion of actual or attempted terrorist financing, or be relevant to an investigation into such;
  - 15.1.5 be relevant to investigation of an actual or attempted evasion of *tax* law, investigation of or prosecution of a person for an offence against any *applicable law*; or
  - 15.1.6 involve persons, entities, countries, goods or *services* which are suspected to be the subject of, or connected to the subject of sanctions or embargoes imposed by any national or supranational body.
- 15.2 A member of the *Standard Chartered Group* may intercept and investigate any payment messages and other information or communications sent to or by you or on your behalf and may delay, block or refuse to make any payment. The relevant member of the *Standard Chartered Group* is not required to inform you or give reasons for doing so unless required by *applicable law*. Payment screening may cause a delay in processing certain information.
- 15.3 No member of the *Standard Chartered Group* is liable for any *loss* arising out of any action taken or any delay or failure by us, or a member of the *Standard Chartered Group*, in performing any of its duties or other obligations, caused in whole or in part by any steps taken as set out above.

## 16. Counterparts

- 16.1 Any *agreement* with us, including this *addendum* any *product agreement* may consist of a number of copies, each signed by one or more parties. The signed copies form one document.

## 17. Governing law

- 17.1 This *addendum* and any non-contractual obligations arising out of or in connection with it with Standard Chartered Bank in Jersey is governed by the laws of Jersey.
- 17.2 Except as otherwise provided in the relevant *product* terms, each *product agreement* entered into with the booking centre is governed by the laws of Jersey.

- 17.3 If you do not have an address in Jersey, you agree to appoint and maintain an agent with an address in Jersey to accept *service* of any legal process in Jersey, and give us confirmation of such appointment. You irrevocably consent to the *service* of process outside of Jersey by registered mail to your last known address. We may serve process in any other manner permitted by law.

## 18. Jurisdiction

- 18.1 The parties submit to the exclusive jurisdiction of the courts of Jersey. We may take enforcement action and initiate proceedings in the courts of any other jurisdiction where you may have assets. To the extent allowed by law, we may take proceedings in any number of jurisdictions at the same time. You may only initiate an action in the courts of Jersey.

## 19 Complaints

- 19.1 If you are not satisfied with any aspect of our *products* or *services*, you can tell us about your concerns in the following ways: by contacting your *Private Banker* in person or by telephone; or
- 19.2 by writing to us at:  
  
Standard Chartered Bank  
PO Box 80  
15 Castle Street  
St Helier  
Jersey JE4 8PT  
  
addressing your letter to the Head of Client Service.
- 19.3 Our aim is to resolve your complaint as soon as possible. After receiving a complaint from you we will send you a prompt written acknowledgement (usually within 5 *banking days*) that we have received your complaint and we are investigating it.
- 19.4 In most cases we will be able to resolve your complaint within 4 weeks. During the time we are investigating your complaint, we will keep you informed (by letter or telephone if preferred) of the progress of the measures being taken to resolve it.
- 19.5 In exceptional circumstances, such as where your complaint is particularly complex, matters may take longer to resolve. In any event we will send you a final response within 8 weeks of your complaint.
- 19.6 If you are a customer of our Jersey branch and you are not satisfied with our final response to your complaint, you can refer your complaint to the Channel Islands Financial Ombudsman (CIFO). You must contact CIFO within six months of the date of our final response or CIFO may not be able to review your complaint. You must also contact CIFO within six years of the event complained about or (if later) two years of when you could reasonably have been expected to become aware that you had a reason to complain. If your complaint relates to *services* provided in Jersey, to refer your complaint to the CIFO, the event which led to the complaint must have happened on or after 1 January 2010.

You can contact the CIFO at:

Channel Islands Financial Ombudsman  
PO Box 114  
Jersey  
Channel Islands  
JE4 9QG  
Jersey

Jersey +44 (0)1534 748610  
Guernsey +44 (0)1481 722218  
International + 1534 748610  
Facsimile: +44 1534 74762

Alternatively, you can contact CIFO by email at [complaints@ci-fo.org](mailto:complaints@ci-fo.org) or via its website [www.ci-fo.org](http://www.ci-fo.org).

## 20 Compensation

- 20.1** In the event that we are unable to meet our obligations to you, you may have a right to seek compensation from the Jersey Bank Depositors Compensation Board (the JBDCB). The JBDCB is governed by specific rules on compensation which determine eligibility and the circumstances in which compensation will be available. The JBDCB will only pay compensation if it is satisfied that you are an eligible claimant. In practice, JBDCB protection is generally limited to private individuals.
- 20.2** The Jersey Branch of Standard Chartered Bank is a participant in the Jersey Bank Depositors Compensation Scheme. The Scheme offers protection for eligible deposits of up to £50,000. The maximum total amount of compensation is capped at £100,000,000 in any 5 year period. Full details of the Scheme and banking groups covered are available on the States of Jersey website [www.gov.je/dcs](http://www.gov.je/dcs).

## SECTION 2: BANKING TERMS

### 21 ANNEX A: MURABAHA TERM DEPOSITS

If the *Murabaha Term Deposits Product* has been selected then [ANNEX A \(MURABAHA TERM DEPOSITS\)](#) shall apply.

### 22 ANNEX B: COMMODITY MURABAHA PRODUCTS

IF:

- 22.1 the *Commodity Murabaha Classic Product* has been selected (by specification in an *Islamic Transaction Request*) then [ANNEX B – PART 1 \(COMMODITY MURABAHA – CLASSIC\)](#) shall apply; and
- 22.2 the *Commodity Murabaha Overnight Product* has been selected (by specification in an *Islamic Transaction Request*) then [ANNEX B – PART 2 \(COMMODITY MURABAHA – OVERNIGHT\)](#) shall apply, provided that the *Commodity Murabaha Overnight Product* may only be selected where it has been agreed by the Bank in the relevant Confirmation Letter that such *product* shall apply.

## SECTION 3: MEANING OF WORDS

### 23 Meaning of words in this addendum

The meaning of key words printed in italics *like this* are explained in the booking centre terms and conditions and in addition as set out below. Additional defined terms contained in the *annexes* to this *addendum* shall apply only in relation to the matters set out in the particular part of such *annex*. You also need to refer to the *product* terms which also define key words specifically applicable to the *product*. If a word defined in this *addendum* is also defined in any *product* terms, the definition in the *product* terms applies for the purposes of the applicable *product*.

- **annex** means the relevant *annex* to this *addendum*
- **approved FTV** means in relation to an item of *collateral*, the percentage that we will apply to its market value to determine the financing value of such item of *collateral*. We determine this at our absolute discretion. You should also see Clause 100 of the *Jersey Booking Centre Terms and Conditions*
- **finance facility** means the secured finance line or any other financial accommodation we may make available to you from time to time pursuant to a *facility agreement* or *Murabaha facility agreement* and “**finance facilities**” has a corresponding meaning.
- **financing value** means, in relation to an item of *collateral*, the amount we may agree finance or the amount we may agree to secure a *collateralised margin product*. This is calculated by multiplying the market value by the approved FTV of such *collateral*. You should also see Clause 100 of the *Jersey Booking Centre Terms and Conditions*
- **finance margin** means the applicable Lombard Margin or Structured Margin (as the case may be)
- **Islamic product** means each *product* or other *service* we may from time to time make available to you pursuant to this *addendum* or *service agreement*, as the case may be. In this *addendum*, a reference to a *product* includes a *service* and vice versa.
- **loss** includes all actual *losses*, actual damages, actual costs (including legal costs on a full indemnity basis), fines, expenses, fees, charges, actions, suits, proceedings, claims, claims for an account or equitable compensation or equitable lien, any other demands or remedy whatsoever, or any diminution in the value of or *loss* or damage to any property or security or but excluding any opportunity or funding costs.
- **Murabaha facility agreement** means each of the *Islamic products* described in [Annex B](#), where we agree to sell to you certain shariah compliant commodities on deferred payment terms.
- **Murabaha term deposit** means the *Islamic product* described in [Annex A](#), where we agree to purchase commodities on your behalf and purchase them from you with a fixed rate of profit payable at maturity.
- **total financing value** means the sum total of the financing values of all items of *collateral* we hold in respect of your account.

## 24 Meaning of words in the agreement

The following definitions (shown in the first column headed “**Original defined term**”) defined and used in the *Jersey Booking Centre Terms and Conditions* or any other part of the *agreement* shall be treated as having been replaced in each document comprising the *facility documentation* with the below, with the definition shown as the “**Replacement defined term**” adjacent to such defined term in the table below and the definitions included in [Clause 23](#) shall apply to such “**replacement defined terms**” where they are used in the *facility documentation*:

Original defined term	Replacement defined term
approved LTV	approved FTV
credit facility or credit facilities	finance facility or finance facilities
credit margin	finance margin
lending value	financing value
total lending value	total financing value

## SECTION 4 – AMENDMENTS TO THE JERSEY BOOKING CENTRE TERMS AND CONDITIONS

### 25 Amendments for the purpose of Commodity Murabaha Classic and Commodity Murabaha Overnight Products

25.1 The *Jersey Booking Centre Terms and Conditions* shall be amended so that:

- a) In Clause 92.2, the word “**and**” shall be moved to the end of paragraph (b) and the following shall be added: “**(c) financing through a Murabaha Facility agreement.**”
- b) A new clause 97A shall be inserted into the *Jersey Booking Centre Terms and Conditions* as follows:

**97A.1** We will only purchase Assets for Islamic Transaction Requests for a Cost Price and for periods that we view as acceptable. You will repay the applicable Contract Price the last day of the applicable Profit Rate Period (being its maturity date), subject always to our right to demand payment at any time as mentioned in Clause 97A.3. If that day is not a *banking day*, the maturity date will be the next *banking day*. If the next *banking day* falls in the next calendar month or beyond the *facility expiry date*, the maturity date will be the preceding *banking day*.

**97A.2** You will pay Profit on the last day of each Profit Rate Period and no Profit Rate Period shall be longer than 6 months unless we otherwise agree from time to time. If any Profit is due on a day that is not a *banking day*, you will pay Profit on the next *banking day*, unless that day falls in the next calendar month, in which case you will pay it on the preceding *banking day*.

**97A.3** If for any reason a Contract Price (or any part thereof) is paid either at your request or in accordance with the terms of any *facility documentation*, you will be required to make payment in full, less any rebate that the Bank may, in its absolute discretion, deduct at the time of such early repayment, and without premium or penalty. We may require you to give us a period of prior notice in writing of your intention to make early payment of any Cost Price and you may be required to pay *service* costs (excluding opportunity cost) if notice is not given.

- c) In relation to any *Islamic product*, when referring to the Jersey booking terms and conditions as they apply to such *Islamic product* (and in so far as they form the *agreement* for the purpose of any *Murabaha Facility agreement*):
  - Any reference to “**Interest**” (in so far as it relates to a rate (as opposed to a legal interest)) shall be construed to be a reference to “**profit**”
  - Any reference to a “**variable lending rate**” shall be construed to be a reference to the “**variable financing rate**”

- The reference in Clause 102.5 to payment of increased costs shall be construed as a requirement to pay such increased costs in the subsequent Murabaha transaction (as opposed to on demand)
- The payment of *default* Interest (under Clause 15.6) shall not apply
- The calculation of interest in Clause 15.7 and Clause 15.8 (calculation) shall not apply and amounts of profit payable shall be calculated in accordance with the Bank's usual practice for calculation of profit for Murabaha transactions applying the applicable Benchmark Rates specified in the *Agreement*.



## ANNEX A

### PART A: MURABAHA TERM DEPOSITS

1. You may request that we arrange a purchase of commodities on your behalf and buy them from you at a cost plus profit basis whereby you will receive a fixed rate of return after the expiry of a fixed period of time. The *Murabaha term deposit* is subject to the applicable *product agreement*.
2. Your *Private Banker* can provide you with further information about the *product* terms available for a *Murabaha term deposit* and the profit rate payable. The profit rate payable is generally determined by the size and term of the deposit.
3. We may refuse to accept any deposit. We need not give any reason for doing so.
4. We accept deposits in the local currency and in selected *foreign currencies* only. The conditions on which we accept foreign currency deposits (including term, profit rates and minimum deposit amounts) may differ depending on the currency and all transactions under them, are subject to any applicable *exchange* control laws.

#### Commodities indemnity

5. In relation to any *Murabaha term deposit* you must (within three (3) *business days* of written demand) indemnify us:
  - against any *loss*, liability, actual cost or expense incurred by it in relation to any taxes incurred by us or any agent on account of taxes in relation to the purchase and sale of commodities pursuant to a *Murabaha term deposit*; and
  - against any *loss*, liability, actual cost or expense incurred as a consequence of any actions, claims or proceedings whatsoever brought or claimed by any person and howsoever arising in relation to the commodities (including the sale, delivery, non-delivery, handling, storage, use, possession, seizure, forfeiture of, or in relation to, the commodities, other than any actions, claims or proceedings arising from our gross negligence, willful misconduct or fraud on our part or any of the third party appointed by us.

#### Maturity of Murabaha term deposits

6. If a *Murabaha term deposit* matures on a day that is not a banking day, then the date will be extended to the next banking day, with the exception that if the term deposit matures on the last banking day of the month, the date will be brought forward to the previous banking day.
7. *Murabaha term deposits* may not be terminated before the final maturity date without the consent of both parties. If you wish to terminate a *Murabaha term deposit* before the maturity date and if we may agree to do so, we will enter into negotiations with you to mutually determine the revised sale price due on the intended early payment date. If we are unable to reach an *agreement* with regards to the amount of the revised sale price, our obligation to pay you the sale price on the sale payment date shall remain unchanged and no early payment of the sale price shall be effected.

## ANNEX B

### PART 1 – COMMODITY MURABAHA – CLASSIC

The intention of the Parties when entering into *Islamic* Transactions under the terms and conditions of this [Part 1](#) of the *Jersey Booking Centre Terms and Conditions – Islamic Products Addendum* (this “**Part 1**”) is to achieve the effect of a financing *agreement*, typically for the Client’s generic *investment* purposes, in accordance with Shariah.

With an *Islamic* Transaction under this [Part 1](#), the Bank acquires Assets from a Supplier on receipt of an *Islamic* Transaction Request (or in the case of a Subsequent Murabaha Transaction before delivery of a Subsequent Murabaha Offer). The Bank will sell such Assets to the Client (acting through the Client’s Agent), on the basis that the Client pays to the Bank the applicable Contract Price at a deferred time (i.e. the Payment Date). The Client (acting through the Client’s Agent) will then sell the same Assets to a third party and the proceeds of such sale will be paid to the Client and this amount will provide the Client with the requested financing.

This [Part 1](#) is divided into the following Sections:

- (a) [Definitions](#) which sets out the defined terms used in this [Part 1](#).
- (b) [Section I – Commodity Murabaha Master Terms and Conditions](#) which sets out the terms and conditions which will govern the Murabaha Transaction.
- (c) [Section II – Commodity Murabaha Agency Terms and Conditions](#) which sets out the terms and conditions governing the requirements of the Bank in relation to the appointment by the Client of an agent to conclude each Murabaha Transaction on its behalf and subsequently sell the relevant Assets on its behalf.
- (d) [Section III – Commodity Murabaha Agency Appointment](#) under which the Client appoints the Client’s Agent to conclude each Murabaha Transaction on its behalf and subsequently sell the relevant Assets on its behalf.
- (e) [Section IV – Commodity Murabaha Schedules](#) which sets out the forms to be used as part of the Murabaha Transaction.

## DEFINITIONS

- “**Additional Costs**” means the aggregate amount of any additional costs, fees (including without limitation, any brokerage or other fees payable to the relevant Supplier), expenses or *taxes* payable by the Bank in connection with such a Murabaha Transaction.
- “**Agency Acceptance Notice**” means the agency acceptance notice in the form set out in [Schedule 4 of this Part 1](#) under which the Client’s Agent accepts the Agency Appointment.
- “**Agency Appointment**” means the appointment by the Client of the Client’s Agent for the purchase and sale of Assets on behalf of the Client by the Client’s Agent as made under [Section III of this Part 1](#).
- “**Agency Appointment Agreement**” means the agency appointment agreement between the Client and the Client’s Agent comprising the Agency Appointment and the Agency Acceptance Notice (or such other forms approved by the Bank) for the purchase and sale of Assets on behalf of the Client by the Client’s Agent.
- “**Application Form**” means the Application for Commodity Murabaha Private Banking Facilities with the Bank as executed by the Client.
- “**Assets**” means such Shariah compliant metals, platinum group metals, palm oil, natural gas, crude oil or other Shariah compliant commodities acceptable to both Parties as are identified by the Bank in the relevant Murabaha Offer (excluding gold, silver and currencies).
- “**Client’s Agent**” means the agent appointed by the Client under the Agency Appointment *Agreement*, being as at the date of the *agreement* DD&Co Limited, as may be replaced in accordance with [Section II of this Part 1](#) from time to time.
- “**Commodity Administration Fees**” means the administration fees payable to the Client’s Agent in connection with the purchase of Assets by the Bank from the Client’s Agent (acting in its capacity as seller of such Assets to the Bank) in anticipation of a Murabaha Transaction.
- “**Confirmation Letter**” means the relevant confirmation letter between the Bank and the Client (as amended, replaced or superseded from time to time) as specified in the relevant *Islamic* Transaction Request.
- “**Contract Price**” means the amount payable by the Client to the Bank for Assets purchased in a Murabaha Transaction as set out in the relevant Murabaha Declaration, comprising the relevant Cost Price and Profit plus any Increased Cost incurred in accordance with the *Jersey Booking Centre Terms and Conditions* during the preceding Profit Rate Period.
- “**Cost Price**” means:
  - a) In relation to an Initial Murabaha Transaction, the amount paid by the Bank to the Supplier for the purchase of the Assets as set out by the Client in the relevant *Islamic* Transaction Request;

- b) In relation to a Subsequent Murabaha Transaction, the amount paid by the Bank to the Supplier for the purchase of the Assets as set out in the relevant Subsequent Murabaha Offer, which shall (subject to the Facility Limit) equal the Cost Price of the Preceding Murabaha Contract (less any amounts (in excess of the relevant Profit) already paid by the Client in relation to the Preceding Murabaha Contract).
- **“Disbursement Date”** means the date set out by the Client in the relevant *Islamic* Transaction Request and on which the Bank, subject to completion of a Murabaha Transaction, disburses an amount equal to the Cost Price.
  - **“Evergreen Murabaha”** means a Murabaha Transaction (whether an Initial Murabaha Transaction or a Subsequent Murabaha Transaction) for which the Tenure Type is specified in the relevant Initial Murabaha Transaction Request as **“Evergreen”**
  - **“Facility Limit”** means the amount of the facility amount attributed to the relevant *product* not already funded to the Client (or subject to a request to fund), ignoring any amounts of Cost Price under a preceding Murabaha Transaction to be paid on the Disbursement Date by the proceeds from a Subsequent Murabaha Transaction.
  - **“Force Majeure”** means any natural disaster, epidemic, war, hostilities, terrorism, civil disorder, industrial action, act or order of any Authority, change in law, change in the availability, legal usage, convertibility or transferability of any currency, computer system malfunction or failure, third party interference with a computer system, delay or non-availability of goods or *services* supplied to the Client’s Agent or to the Client by a third party, or other circumstances beyond the Client’s Agent’s reasonable control.
  - **“Impaired Agent”** means the Client’s Agent becoming unable in the reasonable opinion of the Bank to satisfactorily perform any or all of its obligations to the Client under the Agency Appointment Agreement or to the Bank under the related *agreements*, including, without limitation, by reason of becoming subject to (a) the occurrence of a Force Majeure event, or (b) Insolvency Proceedings.
  - **“Increased Cost”** means any increased cost payable in accordance with Clause 102.5 of the *Jersey Booking Centre Terms and Conditions*.
  - **“Initial Murabaha Transaction”** means the Murabaha Transaction created pursuant to clause 3 of Section I of this Part 1, that is not a Subsequent Murabaha Transaction.
  - **“Insolvency Proceedings”** means, in relation to a person, any corporate action, legal proceedings or other analogous procedure or step in any jurisdiction in relation to: (i) suspension of payments, moratorium of any indebtedness, bankruptcy, winding up, dissolution, administration and reorganisation (other than a solvent liquidation or reorganisation) or composition or arrangement with creditors; (ii) the appointment of a liquidator (other than in respect of a solvent liquidation), receiver, administrator, judicial manager or similar officer in respect of such person or any of its assets; or (iii) expropriation, attachment, sequestration, distress or execution affecting any of the such person’s assets or the enforcement of any security over its assets.

- **“Islamic Transaction Date”** means the date on which a Murabaha Acceptance is delivered by the Client’s Agent on behalf of the Client to the Bank.
- **“Islamic Transaction Request”** means for the purpose of this [Part 1 \(Commodity Murabaha – Classic\)](#), a request by the Client to enter into an Initial Murabaha Transaction substantially in the form set out in [Schedule 1 of Section IV](#) of this [Part 1 \(Commodity Murabaha – Classic\)](#) or in such other form as the Bank and the Client may agree.
- **“Murabaha Acceptance”** means a Murabaha Offer duly accepted by the Client’s Agent on behalf of the Client by delivery of an acceptance (whether through an electronic platform or otherwise) in the form set out in [Schedule 3 of Section IV](#) of this [Part 1 \(Commodity Murabaha – Classic\)](#) or in such other form as the Bank and the Client may agree.
- **“Murabaha Declaration”** means a Murabaha Offer and Murabaha Acceptance, substantially in the forms set out under [Schedule 2](#) and [Schedule 3 of Section IV](#) of this [Part 1 \(Commodity Murabaha – Classic\)](#) or in such other form as the Bank and Client may agree.
- **“Murabaha Facility Agreement”** means the *agreement* formed by the Application Form, Confirmation Letter, the Jersey booking terms and conditions (as supplemented and amended by the *Jersey Booking Centre Terms and Conditions – Islamic addendum*)
- **“Murabaha Offer”** means an offer as set out in the Murabaha Declaration that is delivered to the Client by the Bank stating the Bank’s intention to enter into a Murabaha Transaction to sell Assets and the terms applicable to such Murabaha Transaction.
- **“Murabaha Transaction”** means each *Islamic* Transaction for the sale of Assets by the Bank to the Client pursuant to the terms of this [Part 1 \(Commodity Murabaha – Classic\)](#).
- **“Onward Sale”** means the onward sale of Assets purchased by the Client, executed by the Client’s Agent acting on behalf of the Client to such third parties as the Client’s Agent (acting on behalf of the Client) deems fit (excluding the Client’s Agent).
- **“Payment Date”** means the date specified in a Murabaha Offer on which, either:
  - a) the Bank will debit the Client’s account in an amount equal to the corresponding amount set out under the column **“Amount”** and forming part of the Contract Price as set out in the relevant Murabaha Offer; and/or
  - b) the Client will enter into a Subsequent Murabaha Contract, in order to pay all or part of the amounts outstanding (excluding any Profit elements) the relevant Murabaha Transaction.
- **“Preceding Murabaha Transaction”** means in relation to a Subsequent Murabaha Transaction, the Murabaha Transaction for which all (or part) of the Cost Price element of the Contract Price is being paid by the proceeds of the Onwards Sale of Assets under such Subsequent Murabaha Transaction.

- **“Profit”** means the amount calculated by the Bank by applying to the Cost Price of the Assets a profit rate of return equal to the Profit Rate multiplied by the number of days in the applicable Profit Rate Period divided by the day count for the relevant currency (being 360 or 365 days as the case may be), as set out in the relevant Murabaha Declaration.
- **“Profit Rate”** means the rate set out in the *Murabaha Facility Agreement*.
- **“Profit Rate Period”** means the period, as specified in the *Islamic Transaction Request*, between the applicable Disbursement Date and the applicable Payment Date (inclusive).
- **“Replacement Agent”** means a broker for the sale and purchase of Assets approved by the Bank (at its absolute discretion).
- **“Replacement Agency Appointment Agreement”** means an Agency Appointment Agreement between the Client and the Replacement Agent in a form approved by the Bank (at its absolute discretion).
- **“Subsequent Murabaha Offer”** means a Murabaha Offer delivered by the Bank in respect of a Subsequent Murabaha Transaction.
- **“Subsequent Murabaha Transaction”** means a Murabaha Transaction created pursuant to [Clause 3 of this Section I](#) of this [Part 1](#) that has a Disbursement Date that falls on the Payment Date of a previous Murabaha Transaction, and pursuant to which the proceeds of the Onward Sale of the Assets shall be used in payment of the Preceding Murabaha Transaction.
- **“Supplier”** means the vendor(s) of the Assets that are the subject of an *Islamic Transaction*.
- **“Tenure End Date”** means, either:
  - a) in relation to a Term Murabaha, the earlier of:
    - i. the Term Murabaha Maturity Date; and
    - ii. the date on which the Client has paid all amounts payable in relation to an Initial Murabaha Transaction and all Subsequent Murabaha Transactions in relation to such Initial Murabaha Transaction; or
  - b) in relation to an Evergreen Murabaha the date on which the Client has paid all amounts payable in relation to an Initial Murabaha Transaction and all Subsequent Murabaha Transactions in relation to such Initial Murabaha Transaction.
- **“Term Murabaha”** means a Murabaha Transaction (whether an Initial Murabaha Transaction or a Subsequent Murabaha Transaction) for which the Tenure Type is specified in the relevant Initial Murabaha Transaction Request as **“Term Murabaha”**
- **“Term Murabaha Maturity Date”** means, in relation to a Term Murabaha, the date specified in the Initial Transaction Request as the Term Murabaha Maturity Date
- **“Transaction Undertaking”** means for the purpose of this [Part 1 \(Commodity Murabaha – Classic\)](#), each irrevocable undertaking to purchase any Assets the Bank may offer to sell in a Murabaha Offer, given by the Client to the Bank, substantially in the form set out in [Schedule 1 of Section IV](#) of this [Part 1 \(Commodity Murabaha – Classic\)](#) or in such other form as the Bank and Client may agree.

## SECTION I – COMMODITY MURABAHA MASTER TERMS AND CONDITIONS

### 1. DELIVERY OF AN ISLAMIC TRANSACTION REQUEST

- (a) The Client may request that the Bank enter into a Murabaha Transaction by delivering to the Bank a duly completed *Islamic* Transaction Request no later than three (3) *banking days* before the proposed Disbursement Date, unless a later date is acceptable to the Bank.
- (b) The Client acknowledges that the *Islamic* Transaction Request contains a Transaction Undertaking.
- (c) The Client acknowledges that in respect of a Subsequent Murabaha Transaction a further *Islamic* Transaction Request will not be required and a Murabaha Acceptance may be delivered by the Client's Agent for each Subsequent Murabaha Offer made in accordance with this Section I.

### 2. COMPLETION OF AN ISLAMIC TRANSACTION REQUEST

- (a) Each *Islamic* Transaction Request in respect of a Murabaha Transaction is irrevocable and will not be regarded as having been duly completed unless:
  - (i) it contains a Transaction Undertaking in a form acceptable to the Bank;
  - (ii) the proposed Payment Date is a banking day which falls earlier than, or on the same date as, the agreed Term Murabaha Maturity Date (if applicable) of the Facility; and
  - (iii) the amount of the proposed Cost Price must be for an amount such that the available Facility Limit is not exceeded.

### 3. COMPLETION OF MURABAHA TRANSACTIONS

- (a) Subject to the terms of the *agreement*, upon either:
  - (i) receipt of a duly completed *Islamic* Transaction Request, or
  - (ii) (In relation to a Subsequent Murabaha Transaction) any amount of the Cost Price element of the Contract Price of a Preceding Murabaha Contract being outstanding as at the date being two (2) *banking days* before the Deferred Payment Date of the relevant Preceding Murabaha Contract (other than an amount equal to (or less than) the Profit Amount under such Preceding Murabaha Contract)

the Bank shall purchase the Assets from a Supplier at the Cost Price on, or any time up to two (2) *banking days* before, the Disbursement Date in accordance with: the terms either:

- (iii) in relation to an Initial Murabaha Transaction as set out in the *Islamic* Transaction Request; or

- (iv) In relation to a Subsequent Murabaha Transaction, as set out in the relevant Initial *Islamic* Transaction Request (other than the Cost Price and Payment Date, which will be in accordance with the terms of this [Section I of Part 1](#)) (unless otherwise agreed in writing between the Bank and the Client).

and deliver to the Client a Murabaha Offer by no later than two (2) *banking days* before the applicable Disbursement Date, unless a later date is acceptable to the Bank.

- (b) Upon, and subject to, purchasing the Assets in accordance with paragraph (a) above, the Bank shall:
  - (i) obtain from the Supplier holding certificates or such other title documents identifying the Assets purchased by the Bank which are customary to obtain in the context of transactions of this type; and
  - (ii) calculate the applicable Contract Price.
- (c) Upon its receipt of a Murabaha Offer, the Client (acting through the Client's Agent) shall confirm its acceptance of such Murabaha Offer by delivery (whether through electronic platform or otherwise) of the Murabaha Acceptance to the Bank by no later than two (2) *banking days* prior to the applicable Disbursement Date, unless a later date is acceptable to the Bank.
- (d) The Client acknowledges:
  - (i) that the Bank will be purchasing Assets in reliance upon the Transaction Undertaking set out in the *Islamic* Transaction Request; and
  - (ii) that the Bank may incur *losses*, damages and other liabilities if the Client (or the Client's Agent on its behalf) fails to enter into a Murabaha Transaction thereby purchasing such Assets as the Bank will have purchased from the relevant Supplier.
- (e) If the Client fails to procure delivery of the Murabaha Acceptance in accordance with paragraph (c) above, it shall be deemed to have breached the Transaction Undertaking and shall promptly indemnify the Bank in accordance with the terms of the *agreement*.
- (f) Upon the delivery of a Murabaha Acceptance, on the relevant *Islamic* Transaction Date a Murabaha Transaction shall have been entered into between the Bank and the Client upon the terms of the relevant Murabaha Declaration and incorporating all the terms and conditions of the *agreement*.
- (g) The Bank will advise the Client of any Additional Costs incurred by it promptly following the purchase of any Assets by it from the relevant Supplier and the Client shall, on demand, reimburse the Bank for any Additional Costs in the currency which they were incurred or promptly settle such Additional Costs on behalf of the Bank if requested to do so by the Bank.



#### 4. TERMS OF SALE AND PURCHASE

- (a) Beneficial ownership and associated risks together with all rights and obligations in all Assets purchased by the Client from the Bank pursuant to any Murabaha Transaction will pass to the Client on the relevant *Islamic* Transaction Date.
- (b) Subject to the relevant Murabaha Transaction having been completed, title to the relevant Assets shall pass to and be vested in the Client on the relevant Disbursement Date. The Client will obtain such title to the Assets as the Bank has received from the relevant Supplier.
- (c) If physical delivery of the Assets is required, the Client must request physical delivery of the Assets in writing to the Bank in the *Islamic* Transaction Request (or at such other time as agreed by the Bank). If the Murabaha Transaction is completed, the Bank will arrange for physical delivery at the Client's own risk and cost, and the Client will be responsible for the payment of all fees, costs and expenses relating to the shipping, delivery and storage of the Assets and all *taxes* arising from or payable in connection with such physical delivery. The Client may, at its own cost, inspect the Assets prior to their delivery.
- (d) Unless physical delivery of the Assets is specifically requested by the Client in the *Islamic* Transaction Request (or at such other time as agreed by the Bank), for the purpose of ensuring that a Murabaha Transaction complies with Shariah, delivery of the Assets shall be effected constructively by the Bank processing book entries in the relevant commodity account ledgers held by the Bank, on the *Islamic* Transaction Date.
- (e) The sale of Assets shall be on an “**as is where is**” basis. The Client acknowledges that upon transfer of the Assets to the Client, the Client shall be deemed and considered to have accepted such Assets and shall have no further remedy against the Bank. The Bank shall not be deemed to give to the Client any warranty relating to the Assets, whether arising by implication, by law or statute or otherwise and, without prejudice to the generality of the foregoing, any such warranty or representation is expressly excluded to the extent permitted by law. Notwithstanding the provisions of this paragraph (e), the Bank's liability for defects related to title, type, quality and specification of the Assets are not excluded.
- (f) Without prejudice to paragraph (e) above, the Client waives any claims which it may have against the Bank in respect of any *loss* or damage which the Client (or the Client's Agent) may suffer by reason of, or arising out of or in connection with the Bank having sold the Assets to the Client (whether through the Client's Agent or otherwise) under the *agreement* through a Murabaha Transaction unless such *loss* or damage is caused by gross negligence on the Bank's part. After the relevant *Islamic* Transaction Date, the Bank shall have no liability in respect of *loss*, damage or deterioration of any Assets.

- (g) The Bank shall, within a reasonable period of time from receipt of the written request of the Client and only if the Bank has obtained such holding certificates or other title documents, deliver to the Client copies of either holding certificates or such other title documents identifying the Assets purchased by the Bank which it has obtained from a Supplier pursuant to [Clause 3\(b\)\(i\) of this Section I](#) for the purpose of identifying the Assets.

## 5. PAYMENTS BY THE CLIENT TO THE BANK

- (a) Upon and subject to the terms of the *agreement* and the other Finance Documents, on each Payment Date, the Client shall pay to the Bank the amount as set out under the column “**Amount**” corresponding to the relevant Payment Date in the relevant Murabaha Offer and the aggregate of all payments shall equal the Contract Price. Without prejudice to the foregoing, the Client shall, in any event, discharge and pay in full on the Payment Date, any portion of any Contract Price under a Murabaha Transaction which has not been paid, any other amount outstanding under a Murabaha Transaction and all other amounts payable by the Client to the Bank under the Finance Documents.
- (b) The payment and other obligations of the Client under or in respect of a Murabaha Transaction and the *agreement* shall not be affected, mitigated or released in any way as a result of any defect in title to the relevant Assets, any deficiency in the Assets, any *loss* or damage to the Assets, any failure by the Supplier to comply with any of its undertakings or obligations or any other reason whatsoever.

## SECTION II – COMMODITY MURABAHA AGENCY TERMS AND CONDITIONS

### 1. APPOINTMENT REQUIREMENTS

- (a) The Client shall appoint the Client's Agent as its agent for the purchase of Assets in relation to each Murabaha Transaction and for the purpose of selling any Assets purchased in the relevant Murabaha Transaction to a third party. The appointment shall be subject to the terms and conditions set out in the Agency Appointment Agreement and the Client further agrees to the further matters set out in this [Section II](#) in relation to the Agency Appointment Agreement.
- (b) The Client confirms to the Bank that it has appointed the Client's Agent under the Agency Appointment Agreement and that it shall not terminate, revoke, rescind, invalidate or give notice to terminate the Agency Appointment Agreement other than in accordance with this [Section II](#).
- (c) The Client confirms to the Bank that the Client's Agent is its *authorised* agent in relation to
  - (i) the completion of each Murabaha Transaction requested under an *Islamic* Transaction Request (unless specifically indicated otherwise on the *Islamic* Transaction Request); and
  - (ii) the completion of each Subsequent Murabaha Transaction before the Tenure End Date (for which an Islamic Transaction request for an Initial Murabaha Transaction has been delivered by the Client),and that by delivery of an Initial Islamic Transaction Request the Client agrees to and shall be fully bound to each Murabaha Transaction entered into on its behalf by the Client's Agent in relation to such Islamic Transaction Request (including all relevant Subsequent Murabaha Transactions) and confirms that it will not challenge the authority of the Client's Agent to enter into any such Murabaha Transactions.
- (d) The Client confirms to the Bank that it does not have any ownership interest in, or otherwise control (whether by share capital, voting power, contract or otherwise), the Client's Agent.

### 2. PROCEEDS OF SALE OF COMMODITIES

- (a) Subject to paragraphs (b) to (c) below, the balance of proceeds of any Onward Sale shall be paid by the Bank (on behalf of and upon the Instruction of the Client's Agent) into the Client's account with the Bank or as otherwise directed by the Client pursuant to an Instruction (or otherwise set-off against amounts owed by the Client to the Bank), as soon as the Client's Agent shall have confirmed to the Bank its satisfaction with payment from the third party for the Assets.

- (b) The Bank, in respect of any payment of the price of Assets sold to a third party by the Client's Agent, reserves the right to deduct all actual costs, *taxes*, fees or charges, that it or the Client's Agent may have incurred in connection with the relevant Onward Sale.
- (c) The Bank may withhold any payment to the Client in respect of an Onward Sale upon the occurrence of an Event of Default for as long as such Event of Default is continuing.
- (d) In relation to a Subsequent Murabaha Transaction, after deduction of all amounts payable under paragraphs (b) and (c) above, the Bank shall apply the balance of proceeds from the Onwards Sale in payment of the Payment Amount due under the relevant Preceding Murabaha Transaction.

### 3. REPLACEMENT OF CLIENT'S AGENT

- (a) The Client:
  - (i) may, by giving no less than ten (10) *banking days'* notice to the Bank; and
  - (ii) must, promptly (and in any event within five (5) *banking days*) upon request by the Bank in accordance with paragraph (b) of this [Clause 3](#),  
  
terminate the Agency Appointment Agreement and replace the Client's Agent with a Replacement Agent under a Replacement Agency Appointment *Agreement*.
- (b) Immediately on entering a Replacement Agency Appointment *Agreement*, the Client shall provide the Bank with a certified copy of the same together with such evidence as the Bank requires in relation to the due execution of and the authority and capacity of the parties to enter into such Replacement Agency Appointment Agreement (including any legal opinions required by the Bank).
- (c) Upon the Bank being satisfied with the requirements of paragraph (b) of this [Clause 3](#), it will confirm in writing its confirmation (a "**Replacement Agent Confirmation**") and upon the Bank providing the Replacement Agent Confirmation the relevant Replacement Agency Appointment Agreement shall become the Agency Appointment Agreement and the Replacement Agent shall become the Client's Agent, each for the purpose of this *Agreement*.
- (d) Upon the Client's Agent becoming or being likely to become, in the opinion of the Bank, an Impaired Agent, the Client must:
  - (i) at the request of the Bank, terminate the Agency Appointment Agreement and appoint a Replacement Agent in accordance with paragraph (a) of this [Clause 3](#); and
  - (ii) at the Client's expense, take whatever action the Bank may require in relation to creating or perfecting the Replacement Agency Appointment *Agreement*.

#### 4. INDEMNITIES

The Client shall promptly indemnify the Bank from and against all actions, claims, proceedings, direct, actual costs, liabilities and/or expenses whatsoever and howsoever arising as a consequence of the Client's Agent acting as the Client's agent and such costs, liabilities and/or expenses shall be immediately paid by the Client upon the Bank's demand unless such actions, claims, proceedings, direct, actual costs, liabilities and/or expenses are caused by gross negligence on the part of the Bank.

THE BANK SHALL NOT BE LIABLE TO REIMBURSE THE CLIENT FOR FAILURE BY THE THIRD PARTY PURCHASER OR THE CLIENT'S AGENT TO MAKE A PAYMENT IN RESPECT OF AN ONWARD SALE NOR SHALL IT BE LIABLE FOR ANY **LOSS**, DAMAGE, COSTS OR EXPENSES, SUFFERED OR INCURRED BY THE CLIENT AS A RESULT OF ANYTHING DONE OR OMITTED TO BE DONE (AS THE CASE MAY BE) BY THE BANK OR THE CLIENT'S AGENT IN THE COURSE OF PERFORMING THEIR OBLIGATIONS UNDER THIS SECTION II, THE AGENCY APPOINTMENT AGREEMENT AND THE TRANSACTIONS HEREUNDER, UNLESS SUCH **LOSS**, DAMAGE, COSTS OR EXPENSE AROSE DIRECTLY AS A RESULT OF WILLFUL DEFAULT OR GROSS NEGLIGENCE ON THE PART OF THE BANK

## SECTION III – COMMODITY MURABAHA AGENCY APPOINTMENT

### 1. APPOINTMENT

- (a) The Client hereby (subject to the delivery of the Agency Appointment Acceptance) appoints the Client's Agent as its agent for the purchase of Assets in relation to each Murabaha Transaction under this [Part 1](#) and for the purpose of selling any Assets purchased in the relevant Murabaha Transaction to a third party. The appointment shall be subject to the terms and conditions set out in this [Section III of Part 1](#).
- (b) The Client's Agent is the Client's *authorised* agent in relation to:
  - i. the completion of each Murabaha Transaction requested under an *Islamic* Transaction Request (unless specifically indicated otherwise on the *Islamic* Transaction Request) and by the delivery of an *Islamic* Transaction Request to the Bank the Client agrees to and shall be fully bound to the Murabaha Transaction entered into on its behalf by the Client's Agent in relation to such *Islamic* Transaction Request (and confirms that it will not challenge the authority of the Client's Agent to enter into any such Murabaha Transaction; and
  - ii. the completion of each Subsequent Murabaha Transaction from the date of the *Islamic* Transaction Request for the relevant Initial Murabaha Contract until but excluding the Tenure End Date for the *Islamic* Transaction Request for the relevant Initial Murabaha Contract and by the delivery of the *Islamic* Transaction Request for the relevant Initial Murabaha Transaction to the Bank, the Client agrees to and shall be fully bound to each Subsequent Murabaha Transaction entered into on its behalf by the Client's Agent in relation to such *Islamic* Transaction Request and confirms that it will not challenge the authority of the Client's Agent to enter into any such Subsequent Murabaha Transaction.
- (c) In connection with an Onward Sale, the Client (unless specifically indicated otherwise on the *Islamic* Transaction Request), confirms its instruction to sell the Assets (including Assets purchased pursuant to any each Subsequent Murabaha Transaction) by delivery of the *Islamic* Transaction Request to the Bank.
- (d) The Client's Agent shall sell the relevant Assets at a price equal to the relevant Cost Price to any third party purchaser as it deems fit and seek to obtain immediate payment of the price for value on the relevant Disbursement Date from such third party and such payment will be settled by the payment by the Bank of an amount equal to the Cost Price (after deducting any costs and expenses of the Bank and any Commodity Administration Fees) to the Client on the Disbursement Date.
- (e) The Client confirms to the Client's Agent that:
  - (i) the Bank is *authorised* to deliver a copy of the *Islamic* Transaction Request (as delivered to the Bank by the Client) to the Client's Agent on behalf of the Client and such delivery shall be sufficient instruction as to the matters set out in paragraphs (c) and (d) of this [Section III of Part 1](#) that it does not have any

- ownership interest in, or otherwise control (whether by share capital, voting power, contract or otherwise), the Client's Agent; and
- (ii) it has not created any charge or encumbrance and has not granted any third-party rights over its interest in the Assets which are the subject of a Murabaha Transaction.
- (F) The Client's Agent shall:
- (i) be **authorised** to sign and execute all documents and do all acts and observe and perform all obligations required to be done in connection with this [Clause 1](#) or imposed under any intermediary arrangement or any **agreement** of sale of the Assets to a third party purchaser; and
  - (ii) perform all the administrative functions regarding the holding and the selling of the Assets.
- (g) In consideration of the acceptance of the Agency Appointment by the Client's Agent the Client agrees to pay the Commodity Administration Fees to the Client's Agent, upon written demand.

## 2. INDEMNITIES AND LIABILITY

- (a) The Client shall promptly indemnify the Client's Agent from and against all actions, claims, proceedings, direct, actual costs, liabilities and/or expenses whatsoever and howsoever arising as a consequence of the Client's Agent acting as the Client's agent and such costs, liabilities and/or expenses shall be immediately paid by the Client upon the Client's Agent demand unless such actions, claims, proceedings, direct, actual costs, liabilities and/or expenses are caused by gross negligence on the part of the Client's Agent.
- (b) The Client's Agent shall not be liable to reimburse the Client for failure by the third party purchaser or the Bank to make a payment in respect of an Onward Sale nor shall it be liable for any **loss**, damage, costs or expenses, suffered or incurred by the Client as a result of anything done or omitted to be done (as the case may be) by the Bank or the Client's Agent in the course of performing their obligations under this Section III, the Agency Appointment Agreement and the transactions thereunder, unless such **loss**, damage, costs or expense arose directly as a result of wilful default or gross negligence on the part of the Client's Agent.
- (c) The Client's Agent will at all times when acting as agent under the Appointment **Agreement** do so as agent for the Client and shall not incur any liabilities or assume any obligations on its own behalf under any Murabaha Transaction, any Onward or otherwise.

## 3. LAW AND JURISDICTION OF AGENCY APPOINTMENT AGREEMENT

The Agency Appointment Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law and the Client and Client's Agent irrevocably submit to the exclusive jurisdiction of the English courts for the resolution of any dispute or **disagreement** arising under, or in connection with the Agency Appointment **Agreement**.

## SECTION IV – COMMODITY MURABAHA SCHEDULES

### SCHEDULE 1: ISLAMIC TRANSACTION REQUEST

**From:** [Client]  
**To:** [\*\*Standard Chartered Bank\*\*]  
**Date:** [ ]

Dear Sir

Application for Private Banking Islamic Facilities dated [ ] and Confirmation Letter dated [ ] forming part of an *agreement* as referred to and defined in the *Jersey Booking Centre Terms and Conditions* (as supplemented and amended by the *Jersey Booking Centre Terms and Conditions – Islamic addendum*) (the “*Agreement*”)

1. This is an *Islamic* Transaction Request for the *Commodity Murabaha Classic* product and a finance document, and forms part of the *Agreement*. Terms defined, referred to or incorporated in the *Agreement* have the same meaning in this *Islamic* Transaction Request.
2. We hereby request to enter into a Murabaha Transaction for any Assets to be identified by you in the Murabaha Offer as follows:

**Disbursement Date:**

**Cost Price:** [ ]

**Profit Rate Period** [1] [2][3][6] [12] months<sup>1</sup>

**Tenure Type** [Term Murabaha] [Evergreen]

**[Term Murabaha Maturity Date]** [ ]<sup>2</sup>

3. Transaction Undertaking: We irrevocably undertake to purchase from you any Assets to be identified by you in
  - a. the Murabaha Offer at the Contract Price, being the aggregate of (i) the Cost Price, (ii) the Profit and (iii) any Increased Cost incurred in the preceding Profit Rate Period; and
  - b. each Subsequent Murabaha Offer,each, in accordance with the terms of the *Agreement* and the other Finance Documents.
4. We acknowledge that you are relying upon matters stated in this *Islamic* Transaction Request when agreeing to our request to purchase the Assets.



5. We acknowledge that the Client's Agent has been authorized to accept delivery of a Murabaha Offer on our behalf in relation to this *Islamic* Transaction Request and to deliver a Murabaha Acceptance on our behalf, including acceptance of the Profit Amount stated therein, which we acknowledge will be calculated in accordance with the terms of the *Agreement*. We further acknowledge that the Client's Agent will conduct an Onward Sale.
6. [We acknowledge that the Client's Agent has been authorized to deliver a Murabaha Acceptance in relation to each Subsequent Murabaha Offer for each date on which a Payment Date arises in respect of a Murabaha Transaction during the Tenure of the applicable Tenure for the Initial Murabaha Transaction. We further acknowledge that the Client's Agent will conduct an Onward Sale.]
7. We hereby confirm that [(to the extent not being paid by the proceeds of sale of Assets under a Subsequent Murabaha Transaction)] we shall make *funds* available in our account on each relevant Payment Date set out in the Murabaha Offer.
8. Clause 32 (General) of the *Jersey Booking Centre Terms and Conditions* (as supplemented and amended by the *Jersey Booking Centre Terms and Conditions – Islamic addendum*) is incorporated into this *Islamic* Transaction Request as if the same were set out here in full, with any references to "**Agreement**" to be read as references to this *Islamic* Transaction Request.

Signed for and on behalf of

[*Client*] [Client's Agent on behalf of [Client]]<sup>3</sup>

By: \_\_\_\_\_

Name:

Title:

Date:

1. Not to exceed Maximum Profit Period specified in Confirmation Letter. For Subsequent Murabaha Transactions to match Profit Rate Period of Initial Murabaha Transaction, unless agreed by the Client and Bank and notified to the Client's Agent by the Client (in writing)

2. Relevant for Term Murabaha only – delete for Evergreen Murabaha

3. For Subsequent Murabaha Transactions only.

## SCHEDULE 2: MURABAHA DECLARATION

**From:** [\*\*Standard Chartered Bank\*\*]  
**To:** The Client's Agent on behalf of [Client]  
Copy to: [Client]  
**Date:** [ ]

Dear Sir

Application for Private Banking Facilities dated [ ] and Confirmation Letter dated [ ] forming part of an *agreement* as referred to and defined in the *Jersey Booking Centre Terms and Conditions* (as supplemented and amended by the *Jersey Booking Centre Terms and Conditions – Islamic addendum*) (the “**Agreement**”)

1. This is a Murabaha Offer and a finance document, and forms part of the *Agreement*. Terms defined, referred to or incorporated in the *Agreement* have the same meaning in this Murabaha Offer.
2. We hereby confirm our willingness to enter into a Murabaha Transaction, by offering to sell to you (acting through the Client's Agent) the Assets on, and subject to, the following terms:
3. Description of the Assets and the Murabaha Transaction:  
  
Disbursement Date:  
  
Quantity and Type of Assets:  
  
Cost Price:  
  
Profit:  
  
Contract Price, being the aggregate of Cost Price, Profit and any Increased Cost incurred in the preceding Profit Rate Period:
4. This Murabaha Offer is not a London Metals Exchange registered client contract.
5. You authorise us to debit your account to make the following payments when due:

Payment Date	Amounts
[insert date]	[insert amount]



6. Clause 32 (General) of the *Jersey Booking Centre Terms and Conditions* (as supplemented and amended by the *Jersey Booking Centre Terms and Conditions – Islamic addendum*) is incorporated into this Murabaha Offer as if the same were set out here in full, with any references to “**Agreement**” to be read as references to this Murabaha Offer.

Signed for and on behalf of

[\*\*Standard Chartered Bank\*\*]

By: \_\_\_\_\_

Name:

Title:

Date:

## SCHEDULE 3: MURABAHA ACCEPTANCE

**[NB – to be conformed to form used in Client’s Agent Documentation]**

**Acceptance by the Client acting through the Client’s Agent**

**Client:** [ ]

1. We confirm acceptance, in our capacity as the Client’s Agent, of the Murabaha Offer dated [ ] and we agree on behalf of the Client to enter into the Murabaha Transaction in relation to the Assets mentioned in the Murabaha Declaration dated [ ].

Signed for and on behalf of [Client] by

**[Client’s Agent] as Client’s Agent of the Client**

**Date:**

## SCHEDULE 4: AGENCY ACCEPTANCE NOTICE

**[NB – to be conformed to electronic acceptance to be used in Client’s Agent’s Platform]**

### [Acceptance by the Client’s Agent of the Agency Appointment](#)

Client: [ ]

1. We confirm acceptance, of our appointment as the Client’s Agent, in accordance with the Agency Appointment dated [ ] and we agree to the terms set out in such Agency Appointment.

Signed by

**[Client’s Agent] as Client’s Agent**

Date:

## PART 2: COMMODITY MURABAHA – OVERNIGHT

The intention of the Parties when entering into *Islamic* Transactions under the terms and conditions of this [Part 2](#) of the *Jersey Booking Centre Terms and Conditions – Islamic Products Addendum* (this “**Part 2**”) is to achieve the effect of a financing *agreement*, typically for the Client’s generic *investment* purposes, in accordance with Shariah.

With an *Islamic* Transaction under this [Part 2](#), the Bank acquires Assets from a Supplier on receipt of an *Islamic* Transaction Request (or in the case of a Subsequent Murabaha Transaction before delivery of a Subsequent Murabaha Offer). The Bank will sell such Assets to the Client (acting through the Client’s Agent), on the basis that the Client pays to the Bank the applicable Contract Price at a deferred time (i.e. the Payment Date). The Client (acting through the Client’s Agent) will then sell the same Assets to a third party and the proceeds of such sale will be paid to the Client and this amount will provide the Client with the requested financing.

The type of Commodity Murabaha structure contained in this [Part 2](#) is a “**Overnight**” structure, where one Murabaha Transaction is entered into for the Profit Rate Period and which sees principal payable at the end of the Murabaha Transaction as well as certain profit payments being made to allow for adjustments for the Overnight Rate to be applied.

This [Part 2](#) is divided into the following Sections:

- (a) [Definitions](#) which sets out the defined terms used in this [Part 2](#).
- (b) [Section I – Commodity Murabaha Master Terms and Conditions](#) which sets out the terms and conditions which will govern the Murabaha Transaction.
- (c) [Section II – Commodity Murabaha Agency Terms and Conditions](#) which sets out the terms and conditions governing the requirements of the Bank in relation to the appointment by the Client of an agent to conclude each Murabaha Transaction on its behalf and subsequently sell the relevant Assets on its behalf.
- (d) [Section III – Commodity Murabaha Agency Appointment](#) under which the Client appoints the Client’s Agent to conclude each Murabaha Transaction on its behalf and subsequently sell the relevant Assets on its behalf.
- (e) [Section IV – Bank Undertaking](#) which sets out an undertaking given by the Bank to provide the Client with a rebate in certain circumstances.
- (f) [Section IV – Commodity Murabaha Schedules](#) which sets out the forms to be used as part of the Murabaha Transaction.

## DEFINITIONS

- “**Additional Costs**” means the aggregate amount of any additional costs, fees (including without limitation, any brokerage or other fees payable to the relevant Supplier), expenses or taxes payable by the Bank in connection with such a Murabaha Transaction.
- “**Additional Murabaha Transaction**” means a Murabaha Transaction where:
  - (a) the Disbursement Date is such date as is specified by the Bank;
  - (b) the Cost Price is such amount as is specified by the Bank;
  - (c) the Contract Profit is an amount equal to the Total Adjustment Amount; and
  - (d) which is otherwise entered into on terms reasonably required by the Bank in order to ensure that the Bank is able to recover the relevant Total Adjustment Amount.
- “**Agency Acceptance Notice**” means the agency acceptance notice in the form set out in [Schedule 4 of this Part 2](#) under which the Client’s Agent accepts the Agency Appointment.
- “**Agency Appointment**” means the appointment by the Client of the Client’s Agent for the purchase and sale of Assets on behalf of the Client by the Client’s Agent as made under [Section III of this Part 2](#).
- “**Agency Appointment Agreement**” means the agency appointment agreement between the Client and the Client’s Agent comprising the Agency Appointment and the Agency Acceptance Notice (or such other forms approved by the Bank) for the purchase and sale of Assets on behalf of the Client by the Client’s Agent.
- “**Application Form**” means the Application for Private Banking *Islamic* Facilities with the Bank as executed by the Client.
- “**Assets**” means such Shariah compliant metals, platinum group metals, palm oil, natural gas, crude oil or other Shariah compliant commodities acceptable to both Parties as are identified by the Bank in the relevant Murabaha Offer (excluding gold, silver and currencies).
- “**Client’s Agent**” means the agent appointed by the Client under the Agency Appointment *Agreement*, being as at the date of the *agreement* DD&Co Limited, as may be replaced in accordance with [Section II of this Part 2](#) from time to time.
- “**Commodity Administration Fees**” means the administration fees payable to the Client’s Agent in connection with the purchase of Assets by the Bank from the Client’s Agent (acting in its capacity as seller of such Assets to the Bank) in anticipation of a Murabaha Transaction.
- “**Confirmation Letter**” means the relevant confirmation letter between the Bank and the Client (as amended, replaced or superseded from time to time) as specified in the relevant *Islamic* Transaction Request.
- “**Contract Price**” as set out in the relevant Murabaha Declaration, means the Cost Price plus the Contract Profit for such Murabaha Transaction plus any increased costs to be paid in accordance with the *Jersey Booking Centre Terms and Conditions* during the preceding Profit Rate Period.

- **“Contract Profit”** means:
  - (a) for an Initial Murabaha Transaction, the amount calculated by the Bank by applying to the Cost Price of the Assets a profit rate of return equal to the Contract Profit Rate multiplied by the number of days in the period from the Disbursement Date until the Payment Date (inclusive) divided by the day count for the relevant currency (being 360 or 365 days as the case may be (**“Contract Rate Profit”**));
  - (b) for a Subsequent Murabaha Transaction, the sum of:
    - (i) the amount calculated by the Bank by applying to the Cost Price of the Assets a profit rate of return equal to the Contract Profit Rate multiplied by the number of days in the period from the Disbursement Date until the Payment Date (inclusive) divided by the day count for the relevant currency (being 360 or 365 days as the case may be) (**“Contract Rate Profit”**); and
    - (ii) the Total Adjustment Amount to be paid on the *Islamic* Transaction Date (if any) (**“Adjustment Amount Profit”**); and
  - (c) for an Additional Murabaha Transaction, the amount calculated pursuant to paragraph (c) of the definition of Additional Murabaha Transaction.
- **“Contract Profit Rate”** means the **“Profit Rate”** as specified in the *Agreement* for Option 1 (Murabaha Classic Product) with a [one-month] Profit Rate Period.
- **“Cost Price”** means the amount paid by the Bank to the Supplier for the purchase of the Assets:
  - (a) with respect to an Initial Murabaha Transaction (other than an Additional Murabaha Transaction), as set out by the Client in the relevant *Islamic* Transaction Request;
  - (b) In relation to a Subsequent Murabaha *Agreement*, the amount paid by the Bank to the Supplier for the purchase of the Assets as set out in the relevant Subsequent Murabaha Offer, which shall (subject to the Facility Limit) equal the Cost Price of the Preceding Murabaha Contract (less any amounts (in excess of the relevant Profit Rate Amount) already paid by the Client in relation to the Preceding Murabaha Contract); or
  - (c) with respect to an Additional Murabaha Transaction, as specified by the Bank in the relevant Murabaha Offer.
- **“Disbursement Date”** means the date on which the Bank, subject to completion of a Murabaha Transaction, disburses an amount equal to the Cost Price, being the date set out by the Client in the relevant *Islamic* Transaction Request or, for a Murabaha Transaction where there is no *Islamic* Transaction Request, as specified by the Bank in the relevant Murabaha Offer.
- **“Facility Limit”** means the amount of the facility amount attributed to the relevant *product* not already funded to the Client (or subject to a request to fund), ignoring any amounts of Cost Price under a preceding Murabaha Transaction to be paid on the Disbursement Date by the proceeds from a Subsequent Murabaha Transaction.



- **“Force Majeure”** means any natural disaster, epidemic, war, hostilities, terrorism, civil disorder, industrial action, act or order of any Authority, change in law, change in the availability, legal usage, convertibility or transferability of any currency, computer system malfunction or failure, third party interference with a computer system, delay or non-availability of goods or *services* supplied to the Client’s Agent or to the Client by a third party, or other circumstances beyond the Client’s Agent’s reasonable control.
- **“Increased Cost”** means any increased cost payable in accordance with Clause 102.5 of the *Jersey Booking Centre Terms and Conditions*.
- **“Impaired Agent”** means the Client’s Agent becoming unable in the reasonable opinion of the Bank to satisfactorily perform any or all of its obligations to the Client under the Agency Appointment Agreement or to the Bank under the related *agreements*, including, without limitation, by reason of becoming subject to (a) the occurrence of a Force Majeure event, or (b) Insolvency Proceedings.
- **“Initial Murabaha Transaction”** means the Murabaha Transaction created pursuant to [Clause 3\(a\) of Section I](#) of this [Part 2](#), that is not a Subsequent Murabaha Transaction.
- **“Insolvency Proceedings”** means, in relation to a person, any corporate action, legal proceedings or other analogous procedure or step in any jurisdiction in relation to: (i) suspension of payments, moratorium of any indebtedness, bankruptcy, winding up, dissolution, administration and reorganisation (other than a solvent liquidation or reorganisation) or composition or arrangement with creditors; (ii) the appointment of a liquidator (other than in respect of a solvent liquidation), receiver, administrator, judicial manager or similar officer in respect of such person or any of its assets; or (iii) expropriation, attachment, sequestration, distress or execution affecting any of the such person’s assets or the enforcement of any security over its assets.
- **“Islamic Transaction Date”** means the date on which a Murabaha Acceptance is delivered by the Client’s Agent on behalf of the Client to the Bank.
- **“Islamic Transaction Request”** means for the purpose of this [Part 2 \(Commodity Murabaha – Overnight\)](#), a request by the Client to enter into an Initial Murabaha Transaction substantially in the form set out in [Schedule 1 of Section V](#) of this [Part 2 \(Commodity Murabaha – Overnight\)](#) or in such other form as the Bank and the Client may agree.
- **“Murabaha Acceptance”** means a Murabaha Offer duly accepted by the Client’s Agent on behalf of the Client by delivery of an acceptance (whether through an electronic platform or otherwise) in the form set out in [Schedule 3 of Section V](#) of this [Part 2 \(Commodity Murabaha – Overnight\)](#) or in such other form as the Bank and the Client may agree.
- **“Murabaha Declaration”** means a Murabaha Offer and Murabaha Acceptance, substantially in the forms set out under [Schedule 2](#) and [Schedule 3 of Section V](#) of this [Part 2 \(Commodity Murabaha – Overnight\)](#) or in such other form as the Bank and Client may agree.

- **“Murabaha Facility Agreement”** means the *agreement* formed by the Application Form, Confirmation Letter, the *Jersey Booking Centre Terms and Conditions* (as supplemented and amended by the *Jersey Booking Centre Terms and Conditions – Islamic addendum*)
- **“Murabaha Offer”** means an offer as set out in the Murabaha Declaration that is delivered to the Client by the Bank stating the Bank’s intention to enter into a Murabaha Transaction to sell Assets and the terms applicable to such Murabaha Transaction.
- **“Murabaha Transaction”** means each *Islamic* Transaction for the sale of Assets by the Bank to the Client pursuant to the terms of this [Part 2 \(Commodity Murabaha – Overnight\)](#).
- **“Onward Sale”** means the onward sale of Assets purchased by the Client, executed by the Client’s Agent acting on behalf of the Client to such third parties as the Client’s Agent (acting on behalf of the Client) deems fit (excluding the Client’s Agent).
- **“Overnight Profit Rate”** means the **“Profit Rate”** for the relevant day as calculated by reference to the relevant overnight rate in accordance the *Murabaha Facility Agreement*
- **“Overnight Profit Rate Amount”** means the amount equal to the aggregate amount calculated by the Bank by applying (for each day during the relevant Profit Rate Period on which the Contract Price of a Murabaha Transaction remains outstanding) to the Cost Price of the Assets a profit rate of return equal to the Overnight Profit Rate divided by the day count for the relevant currency (being 360 or 365 days as the case may be).
- **“Payment Date”** means the date, as specified in a Murabaha Offer or otherwise as notified by the Bank), on which the Bank will debit the Client’s account in an amount equal to the corresponding amount set out under the column **“Amount”** and forming part of the Contract Price as set out in the relevant Murabaha Offer, with such dates being:
  - (a) the last day of each Profit Rate Period (which (subject to requirements for non-*business days* in the *Murabaha Facility Agreement*) shall be one month from the Disbursement Date);
  - (b) with respect to Adjusted Profit Amounts to be paid under a Subsequent Murabaha Transaction, the Disbursement Date of the Preceding Murabaha Transaction; or
  - (c) with respect to the Cost Price under an Additional Murabaha Transaction, such other date as specified by the Bank.
- **“Preceding Murabaha Transaction”** means in relation to a Subsequent Murabaha Transaction, the Murabaha Transaction for which all (or part) of the Cost Price element of the Contract Price is being paid by the proceeds of the Onwards Sale of Assets under such Subsequent Murabaha Transaction.
- **“Profit Rate”** means the rate set out in the *Murabaha Facility Agreement*.

- **“Profit Rate Amount”** means, with respect to a Payment Date, the amount equal to:
  - (a) the amount calculated by the Bank by applying to the outstanding Cost Price under the relevant Murabaha Transaction a profit rate of return equal to the Profit Rate multiplied by the number of days in the relevant Profit Rate Period divided by the day count for the relevant currency (being 360 or 365 days as the case may be); plus
  - (b) any Increased Costs incurred in accordance with the *Murabaha Facility Agreement* during the preceding Profit Rate Period or otherwise payable under the *Agreement*.
- **“Profit Rate Period”** means the period between the applicable Disbursement Date and the applicable Payment Date (inclusive).
- **“Replacement Agent”** means a broker for the sale and purchase of Assets approved by the Bank (at its absolute discretion).
- **“Replacement Agency Appointment Agreement”** means an Agency Appointment Agreement between the Client and the Replacement Agent in a form approved by the Bank (at its absolute discretion).
- **“Subsequent Murabaha Offer”** means a Murabaha Offer delivered by the Bank in respect of a Subsequent Murabaha Transaction.
- **“Subsequent Murabaha Transaction”** means a Murabaha Transaction created pursuant to [Clause 3\(a\) of this Section I](#) of this [Part 2](#) that has a Disbursement Date that falls on the Payment Date of a previous Murabaha Transaction, and pursuant to which the proceeds of the Onward Sale of the Assets shall be used in payment of the Preceding Murabaha Transaction.
- **“Supplier”** means the vendor(s) of the Assets that are the subject of an *Islamic* Transaction.
- **“Tenure End Date”** means the date on which the Client has paid all amounts payable in relation to an Initial Murabaha Transaction and all Subsequent Murabaha Transactions in relation to such Initial Murabaha Transaction.
- **“Transaction Undertaking”** means for the purpose of this [Part 2 \(Commodity Murabaha – Overnight\)](#), each irrevocable undertaking to purchase any Assets the Bank may offer to sell in a Murabaha Offer, given by the Client to the Bank, substantially in the form set out in [Schedule 4 of Section V](#) of this [Part 2 \(Commodity Murabaha – Overnight\)](#) and [Clause \(b\) of Section I](#) of this [Part 2](#) or in such other form as the Bank and Client may agree.
- **“Total Adjustment Amount”** means, at any given time, the difference between the Contract Rate Profit for the previous Profit Rate Period and the Overnight Profit Rate Amount for such Profit Rate Period.

## SECTION I – COMMODITY MURABAHA MASTER TERMS AND CONDITIONS

### 1. DELIVERY OF AN ISLAMIC TRANSACTION REQUEST

- (a) The Client may request that the Bank enter into a Murabaha Transaction by delivering to the Bank a duly completed *Islamic* Transaction Request no later than three (3) *banking days* before the proposed Disbursement Date, unless a later date is acceptable to the Bank.
- (b) The Client acknowledges that the *Islamic* Transaction Request contains a Transaction Undertaking which relates to the Murabaha Transaction specified in the *Islamic* Transaction Request as well as other relevant Murabaha Transactions required to be entered into as part of this [Part 2](#).
- (c) The Client acknowledges that in respect of a Subsequent Murabaha Transaction a further *Islamic* Transaction Request will not be required and a Murabaha Acceptance may be delivered by the Client's Agent for each Subsequent Murabaha Offer made in accordance with this [Section I](#).

### 2. COMPLETION OF AN ISLAMIC TRANSACTION REQUEST

Each *Islamic* Transaction Request in respect of a Murabaha Transaction is irrevocable and will not be regarded as having been duly completed unless:

- (a) it contains a Transaction Undertaking in a form acceptable to the Bank;
- (b) the proposed Payment Date is a banking day; and
- (c) the amount of the proposed Cost Price must be for an amount such that the available Facility Limit is not exceeded.

### 3. COMPLETION OF MURABAHA TRANSACTIONS

#### (a) Initial Murabaha Transactions and Subsequent Murabaha Transactions

- (i) Subject to the terms of the *agreement*, upon either:
  - A. receipt of a duly completed *Islamic* Transaction Request;
  - B. In relation to a Subsequent Murabaha Transaction) any amount of the Contract Price of a Preceding Murabaha Contract being outstanding as at the date being two (2) *banking days* before the Deferred Payment Date of the relevant Preceding Murabaha Contract (other than an amount equal to (or less than) the Profit Amount under such Preceding Murabaha Contract),  
  
the Bank shall purchase the Assets from a Supplier at the Cost Price on or two (2) *banking days* before the Disbursement Date in accordance with the terms, either:
  - C. in relation to an Initial Murabaha Transaction, as set out in the *Islamic* Transaction Request; or

- D. In relation to a Subsequent Murabaha Transaction, as set out in the relevant Initial *Islamic* Transaction Request (other than the Cost Price and Payment Date, which will be in accordance with the terms of this [Section I of Part 2](#)) (unless otherwise agreed in writing between the Bank and the Client), and deliver to the Client a Murabaha Offer by no later than two (2) *banking days* before the applicable Disbursement Date, unless a later date is acceptable to the Bank.
- (ii) Upon, and subject to, purchasing the Assets in accordance with paragraph (i) above, the Bank shall:
- A. obtain from the Supplier holding certificates or such other title documents identifying the Assets purchased by the Bank which are customary to obtain in the context of transactions of this type;
- B. calculate the applicable Contract Price; and
- C. deliver to the Client a Murabaha Offer by no later than two (2) *banking days* before the applicable Disbursement Date, unless a later date is acceptable to the Bank. If the Bank does not deliver a Murabaha Offer within the aforementioned timeline, the Bank shall be deemed to have rejected the *Islamic* Transaction Request. The Bank shall not be obliged to provide reasons for such rejection, nor shall the Bank be in any way liable to the Client for rejecting the relevant *Islamic* Transaction Request.
- (iii) Upon its receipt of a Murabaha Offer delivered by the Bank pursuant to this [Clause \(a\)](#), the Client shall (through the Client's Agent) deliver the Murabaha Acceptance (whether through electronic platform or otherwise) to the Bank by:
- A. not earlier than two (2) *banking days*; and
- B. not later than one (1) *banking day*, prior to the applicable Disbursement Date, unless a later date is acceptable to the Bank.
- (b) **Additional Murabaha Transactions**
- (i) If, at any given time, the Bank considers that
- A. the Overnight Profit Rate Amount for a Murabaha Transaction will be less than the Contract Rate Profit Amount for such Murabaha Transaction; and
- B. there is not a Subsequent Murabaha Transaction on the Profit Payment Date for such Murabaha Transaction,
- then:
- C. the Bank shall deliver to the Client a Murabaha Offer in order to effect an Additional Murabaha Transaction which is payable by the Client in accordance with this [Part 2](#) (or, with respect to the Cost Price, such other date as specified by the Bank);
- D. the Bank may, in relation to the Additional Murabaha Transaction mentioned in paragraph (C) above:

1. purchase Assets from a Supplier at the relevant Cost Price; and
  2. obtain from the Supplier holding certificates or such other title documents identifying the Assets purchased by the Bank which are customary to obtain in the context of transactions of this type; and
- E. upon its receipt of the Murabaha Offer mentioned in paragraph (C) above, the Client shall (acting through the Client's Agent) immediately confirm acceptance of such Murabaha Offer by delivery (whether through electronic platform or otherwise) of the Murabaha Acceptance to the Bank.
- (ii) For the avoidance of doubt, the Client undertakes to enter into each Additional Murabaha Transaction in accordance with this **Clause (b)** and to do all things reasonably required by the Bank in order to effect any such Additional Murabaha Transaction.
- (iii) The Parties acknowledge that more than one Additional Murabaha Transaction may be entered into in relation to any *Murabaha Facility Agreement*.

#### **4. COMPLETION OF MURABAHA TRANSACTIONS**

- (a) The Client acknowledges:
- (i) that the Bank will be purchasing Assets in reliance upon the Transaction Undertakings set out in the *Islamic* Transaction Request and this **Part 2**; and
  - (ii) that the Bank may incur *losses*, damages and other liabilities if the Client (or the Client's Agent on its behalf) fails to enter into a Murabaha Transaction thereby purchasing such Assets as the Bank will have purchased from the relevant Supplier.
- (b) If the Client fails to procure delivery of the Murabaha Acceptance in accordance with this **Part 2**, it shall be deemed to have breached the Transaction Undertaking and shall promptly indemnify the Bank in accordance with the terms of the *agreement*.
- (c) Upon the delivery of a Murabaha Acceptance, on the relevant *Islamic* Transaction Date a Murabaha Transaction shall have been entered into between the Bank and the Client upon the terms of the relevant Murabaha Declaration and incorporating all the terms and conditions of the *agreement*.
- (d) The Bank will advise the Client of any Additional Costs incurred by it promptly following the purchase of any Assets by it from the relevant Supplier and the Client shall, on demand, reimburse the Bank for any Additional Costs in the currency which they were incurred or promptly settle such Additional Costs on behalf of the Bank if requested to do so by the Bank.

#### **5. TERMS OF SALE AND PURCHASE**

- (a) Beneficial ownership and associated risks together with all rights and obligations in all Assets purchased by the Client from the Bank pursuant to any Murabaha Transaction will pass to the Client on the relevant *Islamic* Transaction Date.

- (b) Subject to the relevant Murabaha Transaction having been completed, title to the relevant Assets shall pass to and be vested in the Client on the relevant Disbursement Date. The Client will obtain such title to the Assets as the Bank has received from the relevant Supplier.
- (c) If physical delivery of the Assets is required, the Client must request physical delivery of the Assets in writing to the Bank in the *Islamic* Transaction Request (or at such other time as agreed by the Bank). If the Murabaha Transaction is completed, the Bank will arrange for physical delivery at the Client's own risk and cost, and the Client will be responsible for the payment of all fees, costs and expenses relating to the shipping, delivery and storage of the Assets and all *taxes* arising from or payable in connection with such physical delivery. The Client may, at its own cost, inspect the Assets prior to their delivery.
- (d) Unless physical delivery of the Assets is specifically requested by the Client in the *Islamic* Transaction Request (or at such other time as agreed by the Bank), for the purpose of ensuring that a Murabaha Transaction complies with Shariah, delivery of the Assets shall be effected constructively by the Bank processing book entries in the relevant commodity account ledgers held by the Bank, on the Disbursement Date.
- (e) The sale of Assets shall be on an “**as is where is**” basis. The Client acknowledges that upon transfer of the Assets to the Client, the Client shall be deemed and considered to have accepted such Assets and shall have no further remedy against the Bank. The Bank shall not be deemed to give to the Client any warranty relating to the Assets, whether arising by implication, by law or statute or otherwise and, without prejudice to the generality of the foregoing, any such warranty or representation is expressly excluded to the extent permitted by law. Notwithstanding the provisions of this paragraph (e), the Bank's liability for defects related to title, type, quality and specification of the Assets are not excluded.
- (f) Without prejudice to paragraph (e) above, the Client waives any claims which it may have against the Bank in respect of any *loss* or damage which the Client (or the Client's Agent) may suffer by reason of, or arising out of or in connection with the Bank having sold the Assets to the Client (whether through the Client's Agent or otherwise) under the *agreement* through a Murabaha Transaction unless such *loss* or damage is caused by gross negligence on the Bank's part. After the relevant *Islamic* Transaction Date, the Bank shall have no liability in respect of *loss*, damage or deterioration of any Assets.
- (g) The Bank shall, within a reasonable period of time from receipt of the written request of the Client and only if the Bank has obtained such holding certificates or other title documents, deliver to the Client copies of either holding certificates or such other title documents identifying the Assets purchased by the Bank which it has obtained from a Supplier pursuant to [Clause 3\(b\)\(i\) of this Section I](#) for the purpose of identifying the Assets.

## 6. PAYMENTS AND ADJUSTMENTS

- (a) Upon and subject to the terms of the *agreement* and the other Finance Documents, on each Payment Date, the Client shall pay to the Bank
  - (i) the amount as set out under the column “**Amount**” corresponding to the relevant Payment Date in the relevant Murabaha Offer and the aggregate of all payments shall equal the Contract Price. Without prejudice to the foregoing, the Client shall, in any event, discharge and pay in full on the Final Payment Date, any portion of any Contract Price under a Murabaha Transaction which has not been paid, any other amount outstanding under a Murabaha Transaction and all other amounts payable by the Client to the Bank under the Finance Documents; and
  - (ii) any amount payable on the Payment Date under an Additional Murabaha Transaction
- (b) The payment and other obligations of the Client under or in respect of a Murabaha Transaction and the *agreement* shall not be affected, mitigated or released in any way as a result of any defect in title to the relevant Assets, any deficiency in the Assets, any *loss* or damage to the Assets, any failure by the Supplier to comply with any of its undertakings or obligations or any other reason whatsoever.
- (c) If, on the Final Payment Date:
  - (i) the Client has made all payments of Contract Profit in accordance with clause (a) above;
  - (ii) no Cost Price under any Murabaha Transaction is outstanding;
  - (iii) no Event of Default is continuing; and
  - (iv) the Total Adjustment Amount is greater than zero,then the Bank may in its discretion give rebate to the Client (which may be by way of set-off) in an amount equal to the Total Adjustment Amount.



## SECTION II – COMMODITY MURABAHA AGENCY TERMS AND CONDITIONS

### 1. APPOINTMENT REQUIREMENTS

- (a) The Client shall appoint the Client's Agent as its agent for the purchase of Assets in relation to each Murabaha Transaction and for the purpose of selling any Assets purchased in the relevant Murabaha Transaction to a third party. The appointment shall be subject to the terms and conditions set out in the Agency Appointment Agreement and the Client further agrees to the further matters set out in this this Section II in relation to the Agency Appointment Agreement.
- (b) The Client confirms to the Bank that it has appointed the Client's Agent under the Agency Appointment Agreement and that it shall not terminate, revoke, rescind, invalidate or give notice to terminate the Agency Appointment Agreement other than in accordance with this Section II.
- (c) The Client confirms to the Bank that the Client's Agent is its *authorised* agent in relation to:
  - (i) the completion of each Murabaha Transaction requested under an *Islamic* Transaction Request (unless specifically indicated otherwise on the *Islamic* Transaction Request) or required by the Bank as an Additional Murabaha Transaction
  - (ii) the completion of each Subsequent Murabaha Transaction before the Tenure End Date (for which an *Islamic* Transaction request for an Initial Murabaha Transaction has been delivered by the Client); and
  - (iii) the completion of each Murabaha Transaction required by the Bank as an Additional Murabaha Transaction,

and that by delivery of an Initial *Islamic* Transaction Request the Client agrees to and shall be fully bound to each Murabaha Transaction entered into on its behalf by the Client's Agent in relation to such *Islamic* Transaction Request (including all relevant Subsequent Murabaha Transactions) and each subsequent Additional Murabaha Transaction required by the bank as a result of the initial *Islamic* Transaction Request and confirms that it will not challenge the authority of the Client's Agent to enter into any such Murabaha Transactions.

- (d) In connection with an Onward Sale, the Client (unless specifically indicated otherwise on the *Islamic* Transaction Request), confirms its instruction (under the Murabaha Transaction and each subsequent Additional Murabaha Transaction) to sell the Assets by delivery of the *Islamic* Transaction Request to the Bank.
- (e) The Client confirms to the Bank that it does not have any ownership interest in, or otherwise control (whether by share capital, voting power, contract or otherwise), the Client's Agent.

## 2. PROCEEDS OF SALE OF COMMODITIES

- (a) Subject to paragraphs (b) to (c) below, the balance of proceeds of any Onward Sale shall be paid by the Bank for an Initial Murabaha Transaction (on behalf of and upon the Instruction of the Client's Agent) into the Client's account with the Bank or as otherwise directed by the Client pursuant to an Instruction (or otherwise set-off against amounts owed by the Client to the Bank), as soon as the Client's Agent shall have confirmed to the Bank its satisfaction with payment from the third party for the Assets.
- (b) Subject to paragraphs (c) to (d) below, the balance of proceeds of any Onward Sale for a Subsequent Murabaha Transaction or an Additional Murabaha Transaction shall be retained by the Bank in partial payment of amounts owed to the Bank by the Client, as soon as the Client's Agent shall have confirmed to the Bank its satisfaction with payment from the third party for the Assets.
- (c) The Bank, in respect of any payment of the price of Assets sold to a third party by the Client's Agent, reserves the right to deduct all actual costs, taxes, fees or charges, that it or the Client's Agent may have incurred in connection with the relevant Onward Sale.
- (d) The Bank may withhold any payment to the Client in respect of an Onward Sale upon the occurrence of an Event of Default for as long as such Event of Default is continuing.

## 3. REPLACEMENT OF CLIENT'S AGENT

- (a) The Client:
  - (i) may, by giving no less than ten (10) *banking days'* notice to the Bank; and
  - (ii) must, promptly (and in any event within five (5) *banking days*) upon request by the Bank in accordance with paragraph (b) of this [Clause 3](#),  
terminate the Agency Appointment Agreement and replace the Client's Agent with a Replacement Agent under a Replacement Agency Appointment *Agreement*.
- (b) Immediately on entering a Replacement Agency Appointment *Agreement*, the Client shall provide the Bank with a certified copy of the same together with such evidence as the Bank requires in relation to the due execution of and the authority and capacity of the parties to enter into such Replacement Agency Appointment Agreement (including any legal opinions required by the Bank).
- (c) Upon the Bank being satisfied with the requirements of [paragraph \(b\) of this Clause 3](#), it will confirm in writing its confirmation (a "**Replacement Agent Confirmation**") and upon the Bank providing the Replacement Agent Confirmation the relevant Replacement Agency Appointment Agreement shall become the Agency Appointment Agreement and the Replacement Agent shall become the Client's Agent, each for the purpose of this *Agreement*.

- (d) Upon the Client's Agent becoming or being likely to become, in the opinion of the Bank, an Impaired Agent, the Client must:
  - (i) at the request of the Bank, terminate the Agency Appointment Agreement and appoint a Replacement Agent in accordance with paragraph (a) of this [Clause 3](#); and
  - (ii) at the Client's expense, take whatever action the Bank may require in relation to creating or perfecting the Replacement Agency Appointment Agreement.

#### **4. INDEMNITIES**

The Client shall promptly indemnify the Bank from and against all actions, claims, proceedings, direct, actual costs, liabilities and/or expenses whatsoever and howsoever arising as a consequence of the Client's Agent acting as the Client's agent and such costs, liabilities and/or expenses shall be immediately paid by the Client upon the Bank's demand unless such actions, claims, proceedings, direct, actual costs, liabilities and/or expenses are caused by gross negligence on the part of the Bank.

THE BANK SHALL NOT BE LIABLE TO REIMBURSE THE CLIENT FOR FAILURE BY THE THIRD PARTY PURCHASER OR THE CLIENT'S AGENT TO MAKE A PAYMENT IN RESPECT OF AN ONWARD SALE NOR SHALL IT BE LIABLE FOR ANY **LOSS**, DAMAGE, COSTS OR EXPENSES, SUFFERED OR INCURRED BY THE CLIENT AS A RESULT OF ANYTHING DONE OR OMITTED TO BE DONE (AS THE CASE MAY BE) BY THE BANK OR THE CLIENT'S AGENT IN THE COURSE OF PERFORMING THEIR OBLIGATIONS UNDER THIS SECTION II, THE AGENCY APPOINTMENT AGREEMENT AND THE TRANSACTIONS HEREUNDER, UNLESS SUCH **LOSS**, DAMAGE, COSTS OR EXPENSE AROSE DIRECTLY AS A RESULT OF WILLFUL DEFAULT OR GROSS NEGLIGENCE ON THE PART OF THE BANK

## SECTION III – COMMODITY MURABAHA AGENCY APPOINTMENT

### 1. APPOINTMENT

- (a) The Client hereby (subject to the delivery of the Agency Appointment Acceptance) appoints the Client's Agent as its agent for the purchase of Assets in relation to each Murabaha Transaction under this [Part 2](#) and for the purpose of selling any Assets purchased in the relevant Murabaha Transaction to a third party. The appointment shall be subject to the terms and conditions set out in this [Section III of Part 2](#).
- (b) The Client's Agent is the Client's *authorised* agent in relation to:
  - i. the completion of each Murabaha Transaction requested under an *Islamic* Transaction Request (unless specifically indicated otherwise on the *Islamic* Transaction Request) and each subsequent Additional Murabaha Transaction and by the delivery of an *Islamic* Transaction Request to the Bank the Client agrees to and shall be fully bound to the Murabaha Transaction entered into on its behalf by the Client's Agent in relation to such *Islamic* Transaction Request and each subsequent Additional Murabaha Transaction and confirms that it will not challenge the authority of the Client's Agent to enter into any such Murabaha Transactions; and
  - ii. the completion of each Subsequent Murabaha Transaction from the date of the *Islamic* Transaction Request for the relevant Initial Murabaha Contract until but excluding the Tenure End Date for the *Islamic* Transaction Request for the relevant Initial Murabaha Contract and by the delivery of the *Islamic* Transaction Request for the relevant Initial Murabaha Transaction to the Bank, the Client agrees to and shall be fully bound to each Subsequent Murabaha Transaction entered into on its behalf by the Client's Agent in relation to such *Islamic* Transaction Request and confirms that it will not challenge the authority of the Client's Agent to enter into any such Subsequent Murabaha Transaction.
- (c) In connection with an Onward Sale, the Client (unless specifically indicated otherwise on the *Islamic* Transaction Request), confirms its instruction to sell the Assets (including Assets purchased pursuant to any each Subsequent Murabaha Transaction and /or subsequent Additional Murabaha Transaction) by delivery of the *Islamic* Transaction Request to the Bank.
- (d) The Client's Agent shall sell the relevant Assets at a price equal to the relevant Cost Price to any third party purchaser as it deems fit and seek to obtain immediate payment of the price for value on the relevant Disbursement Date from such third party and such payment will be settled by the payment by the Bank of an amount equal to the Cost Price (after deducting any costs and expenses of the Bank and any Commodity Administration Fees) to the Client on the Disbursement Date.

- (e) The Client confirms to the Client's Agent that:
  - (i) the Bank is *authorised* to deliver a copy of the *Islamic* Transaction Request (as delivered to the Bank by the Client) to the Client's Agent on behalf of the Client and such delivery shall be sufficient instruction as to the matters set out in paragraphs (c) and (d) of this [Section III of Part 2](#) that it does not have any ownership interest in, or otherwise control (whether by share capital, voting power, contract or otherwise), the Client's Agent; and
  - (ii) it has not created any charge or encumbrance and has not granted any third-party rights over its interest in the Assets which are the subject of a Murabaha Transaction.
- (f) The Client's Agent shall:
  - (i) be *authorised* to sign and execute all documents and do all acts and observe and perform all obligations required to be done in connection with this clause 1 or imposed under any intermediary arrangement or any *agreement* of sale of the Assets to a third party purchaser; and
  - (ii) perform all the administrative functions regarding the holding and the selling of the Assets.
- (g) In consideration of the acceptance of the Agency Appointment by the Client's Agent the Client agrees to pay the Commodity Administration Fees to the Clients Agent, upon written demand.

## 2. INDEMNITIES AND LIABILITY

- (a) The Client shall promptly indemnify the Client's Agent from and against all actions, claims, proceedings, direct, actual costs, liabilities and/or expenses whatsoever and howsoever arising as a consequence of the Client's Agent acting as the Client's agent and such costs, liabilities and/or expenses shall be immediately paid by the Client upon the Client's Agent demand unless such actions, claims, proceedings, direct, actual costs, liabilities and/or expenses are caused by gross negligence on the part of the Client's Agent
- (b) The Client's Agent shall not be liable to reimburse the Client for failure by the third party purchaser or the Bank to make a payment in respect of an Onward Sale nor shall it be liable for any *loss*, damage, costs or expenses, suffered or incurred by the Client as a result of anything done or omitted to be done (as the case may be) by the Bank or the Client's Agent in the course of performing their obligations under this Section III, the Agency Appointment Agreement and the transactions thereunder, unless such *loss*, damage, costs or expense arose directly as a result of wilful default or gross negligence on the part of the Client's Agent.
- (c) The Client's Agent will at all times when acting as agent under the Appointment *Agreement* do so as agent for the Client and shall not incur any liabilities or assume any obligations on its own behalf under any Murabaha Transaction, any Onward or otherwise.

### 3. **LAW AND JURISDICTION OF AGENCY APPOINTMENT AGREEMENT**

The Agency Appointment Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law and the Client and Client's Agent irrevocably submit to the exclusive jurisdiction of the English courts for the resolution of any dispute or disagreement arising under, or in connection with the Agency Appointment Agreement.

## **SECTION IV – BANK UNDERTAKING**

### **BANK UNDERTAKING**

The Bank undertakes that, if the Bank does not provide the reimbursement contemplated by [Clause 6\(d\) of Section I of this Part 2](#), if requested by the Client, the Bank shall enter into a spot Murabaha transaction which sees the Bank reimburse an amount equal to the Total Remaining Profit to the Client, with any such Murabaha transaction being on terms acceptable to the Bank.

## SECTION V – COMMODITY MURABAHA SCHEDULES

### SCHEDULE 1: ISLAMIC TRANSACTION REQUEST

**From:** [Client]

**To:** [\*\*Standard Chartered Bank\*\*]

**Date:** [ ]

Dear Sir

Application for Private Banking Facilities dated [ ] and Confirmation Letter dated [ ] forming part of an *agreement* as referred to and defined in the Jersey booking terms and conditions (as supplemented and amended by the *Jersey Booking Centre Terms and Conditions – Islamic addendum*) (the “**Agreement**”)

1. This is an *Islamic* Transaction Request for the *Commodity Murabaha Overnight product* and a finance document, and forms part of the *Agreement*. Terms defined, referred to or incorporated in the *Agreement* have the same meaning in this *Islamic* Transaction Request.
2. We hereby request to enter into a Murabaha Transaction for any Assets to be identified by you in the Murabaha Offer as follows:

**Disbursement Date:**

**Cost Price:**

3. Transaction Undertaking: We irrevocably undertake to purchase from you any Assets to be identified by you in:
  - a. the Murabaha Offer at the Contract Price, being the aggregate of (i) the Cost Price, (ii) the Profit and (iii) any Increased Cost incurred in the preceding Profit Rate Period; and
  - b. each Subsequent Murabaha Offer,each, in accordance with the terms of the *Agreement* and the other Finance Documents.
4. We acknowledge that you are relying upon matters stated in this *Islamic* Transaction Request when agreeing to our request to purchase the Assets.

5. We acknowledge that the Client's Agent has been authorized to accept delivery of a Murabaha Offer on our behalf in relation to this *Islamic* Transaction Request and to deliver a Murabaha Acceptance on our behalf, including acceptance of the Profit Amount stated therein, which we acknowledge will be calculated in accordance with the terms of the *Agreement*. We further acknowledge that the Client's Agent will conduct an Onward Sale.
6. [We acknowledge that the Client's Agent has been authorized to deliver Murabaha Acceptance in relation to each Subsequent Murabaha Offer for each date on which a Payment Date arises in respect of a Murabaha Transaction during the Tenure of the applicable Tenure for the Initial Murabaha Transaction. We further acknowledge that the Client's Agent will conduct an Onward Sale.]
7. We hereby confirm that [(to the extent not being paid by the proceeds of sale of Assets under a Subsequent Murabaha Transaction)] we shall make *funds* available in our account on each relevant Payment Date set out in the Murabaha Offer.
8. Clause 32 (General) of the Jersey booking terms and conditions (as supplemented and amended by the *Jersey Booking Centre Terms and Conditions – Islamic addendum*) is incorporated into this *Islamic* Transaction Request as if the same were set out here in full, with any references to "**Agreement**" to be read as references to this *Islamic* Transaction Request.

Signed for and on behalf of

[Client]

By: \_\_\_\_\_

Name:

Title:

Date:



## SCHEDULE 2: MURABAHA DECLARATION

**From:** [\*\*Standard Chartered Bank\*\*]

**To:** The Client's Agent on behalf of [Client]

Copy to: [Client]

**Date:** [ ]

Dear Sir

Application for Private Banking Facilities dated [ ] and Confirmation Letter dated [ ] forming part of an *agreement* as referred to and defined in the Jersey booking terms and conditions (as supplemented and amended by the *Jersey Booking Centre Terms and Conditions – Islamic addendum*) (the “*Agreement*”)

1. This is a Murabaha Offer and a finance document, and forms part of the *Agreement*. Terms defined, referred to or incorporated in the *Agreement* have the same meaning in this Murabaha Offer.
2. We hereby confirm our willingness to enter into a Murabaha Transaction, by offering to sell to you (acting through the Client's Agent) the Assets on, and subject to, the following terms:
3. Description of the Assets and the Murabaha Transaction:

<b>Disbursement Date:</b>		[Note: For an Initial Murabaha Transaction this will be the date of disbursement; for a Subsequent Murabaha Transaction the date of the Final Payment Date of the preceding Murabaha Transaction; for an Additional Murabaha Transaction this will be such date as specified by the Bank.]
<b>Quantity and Type of Assets:</b>		
<b>Cost Price:</b>		[Note: For an Initial Murabaha Transaction or Subsequent Murabaha Transaction this will be the amount being utilized (including the amount to be used to pay a preceding Murabaha Transaction in the case of a Subsequent Murabaha Transaction); for an Additional Murabaha Transaction this will be any amount specified by the Bank.]

<b>Profit:</b>  [Contract Rate Profit]  [Adjustment Profit (to be paid on the Disbursement Date)]		[Note: For an Initial Murabaha Transaction this will be calculated using the Contract Profit Rate, For a Subsequent Murabaha Transaction this will be calculated using the Contract Profit Rate and (if applicable) will include Adjustment Profit to be paid on the Disbursement Date; for an Additional Murabaha Transaction this will be the Total Adjustment Amount.]
<b>Contract Price, being the aggregate of Cost Price, Profit and any Increased Cost incurred in the preceding Profit Rate Period:</b>		

4. This Murabaha Offer is not a London Metals Exchange registered client contract.
5. You authorise us to debit your account to make the following payments when due:

Payment Date	Amounts
--------------	---------

[Disbursement Date] <sup>4</sup>	[ ] <sup>5</sup>
----------------------------------	------------------

[Note: Insert the date that is Business Day [1 month] from Disbursement Date for nominal Profit Payment Period]] (or, for Additional Murabaha Transactions, any other date the Cost Price is required to be repaid).]

[ ] <sup>6</sup>
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6. Clause 32 (General) of the *Jersey Booking Centre Terms and Conditions* (as supplemented and amended by the *Jersey Booking Centre Terms and Conditions – Islamic addendum*) is incorporated into this this Murabaha Offer as if the same were set out here in full, with any references to “*Agreement*” to be read as references to this Murabaha Offer.

Signed for and on behalf of

[\*\*Standard Chartered Bank\*\*]

By: \_\_\_\_\_

Name:

Title:

Date:

4. Applicable for an Additional Murabaha or a Subsequent Murabaha

5. Amounts of Profit Adjustment Amount plus any increased costs to be inserted here

6. Insert Contract Price here (less any amounts already paid on Disbursement Date (if applicable))

## SCHEDULE 3: MURABAHA ACCEPTANCE

**[NB – to be conformed to form used in Client’s Agent Documentation]**

### **Acceptance by the Client acting through the Client’s Agent**

Client: [ ]

1. We confirm acceptance, in our capacity as the Client’s Agent, of the Murabaha Offer dated [ ] and we agree on behalf of the Client to enter into the Murabaha Transaction in relation to the Assets mentioned in the Murabaha Declaration dated [ ].

Signed for and on behalf of [Client] by

[Client’s Agent] as Client’s Agent of the Client

Date:

## SCHEDULE 4: AGENCY ACCEPTANCE NOTICE

**[NB – to be conformed to electronic acceptance to be used in Client’s Agent’s Platform]**

### **Acceptance by the Client’s Agent of the Agency Appointment**

Client: [ ]

1. We confirm acceptance, of our appointment as the Client’s Agent, in accordance with the Agency Appointment dated [ ] and we agree to the terms set out in such Agency Appointment.

Signed by

[Client’s Agent] as Client’s Agent



Standard Chartered Bank  
Jersey Branch  
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JE4 8PT

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[www.sc.com/je](http://www.sc.com/je)

The Jersey Branch of Standard Chartered Bank is regulated by the Jersey Financial Services Commission. Copies of the latest audited accounts of Standard Chartered Bank are available from: PO Box 80, 15 Castle Street, St Helier, Jersey JE4 8PT.

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