

Terms and Conditions**First: Preamble**

Whereas the Client wishes to open Savings Account at Bank Albilad for the purpose of saving and investing the amounts available at the Account through Mudaraba (partnership) in the treasury and corporates works according to the provisions of Islamic Sharia (Savings Account); whereas it is agreed and understood by the Client that his/her signature on this Annex shall be considered as an acceptance from him/her and opening of the Account by the Bank shall be considered as an approval and that all the terms and conditions of this Annex shall be immediately applied accordingly and be binding to both parties including any further terms or conditions to be agreed later by the parties in writing after the Bank examines and approves the relevant request of the Client. Therefore, both parties, with being legitimately and lawfully competent, agreed to the terms and conditions of opening the Account (Savings Account) and providing the banking services hereunder stipulated.

Second: Definitions

The following words and expressions shall have the same meanings ascribed to them unless the context requires otherwise:

(The Client/ User): shall mean the natural person (Rab al Mal), who is the Account holder that signed the Agreement of opening a Current Account in person or by his/her proxy.

(The Bank/ Mudarib): shall mean Bank Albilad, Commercial Register No. 1010208295 and its head office is located at Riyadh: and its National Address: Bank Albilad, 8229 Mutamarat District, Unit No. 2, Riyadh 11711-3952 2222, Kingdom of Saudi Arabia, banking phone No.: 920001002, Tax Registration No. 300000712300003.

(Savings account) is a savings service that allows the customer to create a restricted internal sub-account after the signing of an agreement to open a current account for individuals. The service aims to help the customer to save and make a profit through Sharia mudarabah, as the customer (Rab al-Mal) will transfer the mudarabah capital from his current account to this account, and the bank (the mudarib) will invest the money deposited in the savings account according to the terms and conditions of this appendix. The customer has the right to transfer to and from this account only through the customer's current account linked to it.

(Distributable Profit): shall mean the total earnings of the Treasury and Corporates Sectors at the Bank, deducted from them the finance cost inside and outside the Bank that is borne by the Treasury and Corporates (Mudarib), attributed to the investment amount of the Client to the total balances of Albilad accounts, multiplied by the sharing percentage specified for the Client's savings plan.

Savings: shall mean the total amount saved by the Client with the profits of previous plans without the profits of the current plan.

Accumulated Profits: shall mean the total profits of the current plan and at the end of the plan, they shall be added to the savings value.

Balance: shall mean the value of the Client's savings in addition to the Accumulated Profits.

Third: Savings Account Characteristics

- Once this Annex has been signed by the Client, the Account shall be opened and a partnership relationship will then be established, which will result in the opening of the Savings Account at the Bank, for the purpose of investing the amounts deposited in the Account through Mudaraba in accordance with the provisions of Islamic Sharia. All amounts due for/upon him/her shall be recorded in the Account. The existence of a Current Account or Albilad Account is required to open the Savings Account and the banking laws and procedures in force in the Kingdom of Saudi Arabia are applied to this Annex, in accordance with the provisions of Islamic Sharia. The Client acknowledges that all the data provided to the Bank is correct and in the light of which this Annex has been concluded.
- The below table shows the types of the Savings Account plans, the percentage of profit owed to the Client from the distributable profit and the transfer times as a debit process allowed for each plan:

Savings Account Plan Term	Profit Share Percentage				
One Year	45%				
Two Years	55%				
Currency	Minimum Balance	Annuity	Equivalent Annual Rate	Number of transfer as a debit process allowed during the first year	Number of transfer as a debit process allowed during the second year
SAR	SAR 100	According to the Savings Account Plan	Not applicable	One time	One time every contractual year
Annuity	The Gregorian calendar months shall be used to calculate the profits and profits are added at the beginning of the day following the end of each Gregorian month.				
Equivalent Annual Rate	The profits of the month shall be calculated based on the average Account balance during the Gregorian month, provided that it is not less than SAR 100.				
Number of transfer as a debit process	One time every contractual year				
A partnership relationship shall be established between the Client and the Bank, which will result in the opening of the Savings Account at the Bank, for the purpose of saving the amounts deposited in the Account through Mudaraba in accordance with the provisions of Islamic Sharia. All amounts due for/upon him/her shall be recorded in the Account.					
If the Savings Account gains profits, the Client will be entitled to the profit share percentage mentioned in the above table according to the type of his/her segment and the Bank will be entitled to the remaining profit, and in the event of a loss of capital, the Bank will not be liable for such loss, in its capacity as Mudarib, unless in the event of infringement or negligence by the Bank.					
All conditions of the qualifying capital and profits entitlement shall be applied.					
3- Distributable profit-sharing percentage:					
If the Savings Account gains profits, the Client will be entitled to the profit percentage specified in the table shown in Paragraph (2) of this Clause "Third" according to the savings plan term and the Bank will be entitled to the remaining profit percentage, and in the event of a loss of capital, the Bank will not be liable for such loss, in its capacity as Mudarib, unless in the event of infringement or negligence by the Bank.					

4- Qualifying capital and profits entitlement:

- (A) The minimum qualifying capital for profit sharing is SAR one hundred.
- (B) The profits of the month shall be calculated based on the average Account balance during the Gregorian month and the profit-sharing percentage per plan, the profit is shown monthly and is not available for transfer until the end of the plan, and is added under the Accumulated Profits item where the Client (Rab al Mal) can transfer his/her funds (capital without profits) under the following conditions.
- (C) The Client has the right to transfer in favor of the account as credit processes at any time he/she wishes to enhance the account balance with a new amount of savings.
- (D) The Client can perform debit processes according to the following conditions of transfer from the Account:
 - 1. Transfer amount shall not exceed 50% of the original amount available at the Account (Savings) and this shall not include the profits gained from saving on the existing plan upon transfer.
 - 2. That the first transfer process shall be made after 3 months from the beginning of the Contract and the second transfer process shall be made after (12) months from the beginning of the Contract.
 - 3. The numbers of transfer shall not exceed (1) transfer process per one contractual year.
 - 4. If the Client didn't comply with this transfer conditions and the terms and conditions of the Annex in general, the Annex shall be regarded as terminated. In such case, the Client shall not be entitled to any profits.
- (E) The Client shall not be entitled to any profits in the event of a breach of the savings plan terms set forth in this Annex if he/she makes a transfer process that exceeds the terms stated in Paragraph (4) of this Clause "Third" or reduced the savings plan. The Client shall be considered to waive the profits accrued from Mudaraba Contract to the Bank from the start date of the plan.
- (F) If the savings plan is upgraded, the plan start date shall be changed and the Client will obtain the new plan's profit share percentage as of the date of upgrade. Regarding the Accumulated Profits from the previous savings plan, they shall be carried over to the date set for the end of the new plan.
- (G) The Gregorian calendar months shall be used to calculate the profits and their due dates.
- (H) The profit entitled to the Client shall be specified based on the profits share percentage per the plan chosen by the Client and the average balance during the Gregorian month.
- (I) The profits value entitled to the Account shall be calculated from the beginning of the day following the end of each Gregorian month and shall be kept until the maturity date specified for the end of the savings plan.
- (J) The Client may upgrade or downgrade the savings plan. In case of upgrading, the profits shall be kept till the end of the new plan, while in case of downgrading, the Client shall waive the accrued profits in favor of the Bank. In both cases, the plan start date shall be changed from the date of the plan adjustment.
- (K) The Savings Account accepts remittances and deposits from any source, while no transfer shall be made from Savings Account except to the Client's accounts at the Bank.
- (L) At the end of the savings plan, the Client's option is specified between being automatically renewed with a new plan for an additional term with the same duration of the finished plan or transferring the balance with the profits to the Account.
- (M) Restrictions on the Savings Account:
 - 1- ATM Card cannot be issued.
 - 2- Checkbook cannot be issued.
 - 3- The Client cannot make cash withdrawal from the Savings Account; however he/she can only transfer to his/her accounts inside the Bank.
 - 4- It is not possible to open several savings accounts for the same savings plan as only one account is allowed for every savings plan.

5- In cases of total disability / Client death, the Client/ Client's heirs shall have the right to transfer the saved amounts with their profits achieved during the savings plan until the date of receipt of the documents under which the Account is liquidated.

6- The Client and the Bank are obligated that the dealing between them are in accordance with the provisions of Islamic Sharia and according to what is decided by the Sharia Committee of the Bank and they shall not deal in prohibited products such as usury (Riba), risk-based contracts (Gharar), etc.

7- Normal fees shall be applied on any transaction performed by the Bank upon the Client's instructions. If such transaction involves loan from the Bank to the Client, so these fees are only the actual cost, and any taxes due on the services provided under the Master Agreement or this Annex shall be added to these fees as stipulated in the VAT Law and applicable laws and regulations in force in the Kingdom of Saudi Arabia.

Explanatory description of the mechanism of Savings Account profits calculation

Our Dear Client

We are welcoming you to the Savings Account Program, which allows the Client to share the Savings Account profits with the Bank, to clarify the Savings Account mechanism please read the following examples:

- Important points regarding the mechanism of profits sharing of the Savings Account:
 1. Qualifying capital and profits entitlement:
 - A- The minimum qualifying capital for profit sharing is SAR one hundred.
 - B- The profits of the month shall be calculated based on the average Account balance during the Gregorian month and the profit sharing percentage per each plan, the profit is shown monthly and is not available for transfer until the end of the plan, and is added under the Accumulated Profits item where the Client (Rab al Mal) can transfer his/her funds (capital without profits) under the following conditions.
 2. Conditions of transfer as a debit process:
 - Transfer amount shall not exceed 50% of the original amount available in the Account (Savings) and this shall not include the profits gained from saving on the existing plan upon transfer.
 - The first transfer process shall be made after 3 months from the beginning of the Contract.
 - The numbers of maximum transfer shall not exceed (1) transfer process per year in one contractual year.
 - If the Client did not comply with this transfer conditions and the terms and conditions of the Annex in general, the Annex shall be regarded as terminated. In such case, the Client shall not be entitled to any profits.
 3. The Client shall not be entitled to any profits in the event of a breach of the savings plan terms set forth in this Annex if he/she makes a transfer process that exceeds the terms stated in Paragraph (4) of the Clause "Third" of Savings Account Opening Agreement or the Client has reduced the savings plan. The Client shall be considered to waive the profits accrued from Mudaraba Contract to the Bank from the start date of the plan.
 4. If the savings plan is upgraded, the plan start date shall be changed and the Client will obtain the new plan's profit share percentage as of the date of upgrade. Regarding the Accumulated Profits from the previous savings plan, they shall be carried over to the date set for the end of the new plan.
 5. The Gregorian calendar months shall be used to calculate the profits and their due dates.
 6. The profit entitled for the Client shall be specified based on the profits share percentage per the plan chosen by the Client and the average balance during the Gregorian month.
 7. The profits value entitled to the Account shall be calculated from the beginning of the day following the end of each Gregorian month and shall be kept until the maturity date specified for the end of the savings plan.
 8. The Client may upgrade or downgrade the savings plan. In case of upgrading, the profits shall be kept till the end of the new plan, while in case of downgrading, the Client shall waive the accrued profits in favor of the Bank. In both cases, the plan start date shall be changed from the date of the plan adjustment.
 9. The Savings Account accepts remittances and deposits from any source, while no transfer shall be made from Savings Account except to the Client's accounts at the Bank.
 10. At the end of the savings plan, the Client's option is specified between being automatically renewed with a new plan for an additional term with the same duration of the finished plan or transferring the balance with the profits to the Account.
 11. These investments are classified as being low-risks investments.
 12. Sharing percentages in profits calculation for the Savings Accounts are divided into two segments:

Savings Account Plan Term	Profit Share Percentage	Number of transfer as a debit process allowed
One Year	45%	One time every contractual year
Two Years	55%	One time every contractual year

Distributable Profit: the total earnings of the Treasury and Corporates Sectors at the Bank, deducted from them the finance cost inside and outside the Bank that is borne by the Treasury and Corporates (Mudarib), attributed to the investment amount of the Client to the total balances of savings accounts, multiplied by the Client's segment.

Savings: the total amount saved by the Client with the profits of previous plans without calculating the profits of any plan not yet due.

Accumulated Profits: total profits of the current plan and at the end of the plan, they shall be added to the savings value.

Balance: shall mean the value of the Client's savings in addition to the Accumulated Profits.

Profits share calculation= (average balance during the month × number of days in the month × profit on Albilad Account based on the Account's segment) / (36,000)

Explanatory example (Saudi Riyal):

Amount of the Client's Account	Number of days in the month	Profit rate based on the Account segment	Average balance during the month	Segment	Month
SAR 27.5 (100,000*0.32*31/36,000) =	31 days	0.32	100,000	Segment of sharing of 45%	January
SAR 75.7		0.44	200,000	Segment of sharing of 55%	
SAR 12.8	28 days	0.33	50,000	Segment of sharing of 45%	February
SAR 140		0.45	400,000	Segment of sharing of 55%	

Currency	Minimum Balance	Annuity	Equivalent Annual Rate	Number of transfer as a debit process allowed during the first year	Number of transfer as a debit process allowed during the second year
SAR	SAR 100	According to the Savings Account Plan	Not applicable	One time	One time every contractual year
Annuity	The Gregorian calendar months shall be used to calculate the profits and profits are added at the beginning of the day following the end of each Gregorian month.				
Equivalent Annual Rate	The profits of the month shall be calculated based on the average Account balance during the Gregorian month, provided that it is not less than SAR 100.				
Numbers of transfer	One time every contractual year				
A partnership relationship shall be established between the Client and the Bank, which will result in the opening of the Savings Account at the Bank, for the purpose of saving the amounts deposited in the Account through Mudaraba in accordance with the provisions of Islamic Sharia. All amounts due for/upon him/her shall be recorded in the Account.					
If the Savings Account gains profits, the Client will be entitled to the profit share percentage mentioned in the above table according to the type of his/her segment and the Bank will be entitled to the remaining profit, and in the event of a loss of capital, the Bank will not be liable for such loss, in its capacity as Mudarib, unless in the event of infringement or negligence by the Bank.					
All conditions of the qualifying capital and profits entitlement shall be applied.					

Attention:

Average balance shall be calculated as follows: Total balance of the days of the month divided on the number of days in the month. Accumulated Profits are included.

Simplified Description of the Savings Account

Many banks offer programs and accounts that provide return or share percentages based on the value of the amount, the higher the amount the more the share percentages and return rates are distributed, Bank Albilad has decided to offer a savings program that will help you save and provide competitive returns (profit rates) that increase as you become more able to stick to a longer plan. The Savings Account currently offers two plans: Plan for one year with share percentage of 45% and plan for two years with share percentage of 55%, regardless of the savings amount, with features and flexibility that help you on monthly saving, for example, the minimum balance for profits calculation is SAR one hundred and there is not a minimum balance of the amount saved monthly to be entitled to monthly profits, in addition to the possibility of transfer without cancelling the plan, however, the terms of transfer limits must be complied with.

Plans, share percentages and number of transfer allowed

Plan	Share percentage	Number of transfer as a debit process allowed
One Year	45%	One time every contractual year
Two Years	55%	One time every contractual year

When can I transfer from the beginning of my savings plan without cancelling my plan? And what is the amount I can transfer?

In the plan for one year: You can transfer after 3 months from the beginning of the plan and this option shall be available for one time till the end of the plan.

You can transfer any amount, conditioning that it doesn't exceed 50% of your savings value without the Accumulated Profits value during the previous period.

In the plan for two years: You have the authority to transfer two times during the plan, the first transfer process shall be available after 3 months from the beginning of the plan and the second transfer process shall be available after (12) months from the beginning of the contractual year.

You can transfer any amount, conditioning that it doesn't exceed 50% of your savings value without the Accumulated Profits value during the previous period.

When calculating my monthly profits, is the average balance of my account is calculated based on my savings value only?

The average balance is calculated based on your savings value added to it the Accumulated Profits.

Are there any permanent instructions required to continue my savings plan?

No permanent instructions are required; however it is preferred to have permanent instructions to transfer the monthly amount with the salary to help you achieve your savings goals.

Upon the completion of the savings plan, what will happen to my savings and Accumulated Profits gained from the plan?

Your profits are transferred to be part of your savings and shall be the part of 50% that you can transfer within the limits of transfer of your savings plan. The new plan commences with the same period of the completed plan as per your choice.

What happens to my savings plan when I make a transfer process that falls beyond the allowed transfer limits?

The savings plan shall be terminated, and the balance shall be transferred to the Account, however, you will lose any Accumulated Profits that were gained.

I have savings plan for one year, after the elapse of 6 months, I have decided to extend my savings plan to the one for two years, what will happen to my profits?

When upgrading the savings plan, the new savings plan commences on the upgrade date while keeping your profits and you will start to gain profits with higher share percentage in the following months.

I have savings plan for two years, after the elapse of 4 months, I have decided to change my savings plan from two years to one year, what will happen to my profits?

Your savings plan will change upon your request, but you will lose any Accumulated Profits for the previous period and the new plan will commence with your savings value only.

I have savings plan for two years that will end after 3 months, I wish that my next savings plan to be for one year only, can I amend it before the end of my current plan?

Of course, you can amend your savings plan by requesting to amend the plan from two years to be for one year, however the amendment date must be set after the end of the current plan.

My savings plan commenced on 10 of the Gregorian months, however I notice that the end date of the plan does not correspond to 10 of the month, instead it corresponds the date when the month ends?

This is true, the savings plans always expire at the end of the Gregorian month.

How can I permanently close the Savings Account?

You should transfer all your savings without Accumulated Profits of the current plan then close the Account or wait till the end date of the plan and transfer your savings with Accumulated Profits.

I cannot issue an ATM card for my Savings Account; how can I transfer?

You can transfer by transferring the amount to your current account whether via Albilad Net or through one of our branches.

[This form has been prepared for guidance and explanation only and its content is not binding. The Client must read and understand the terms and conditions of the Savings Account Agreement before signing it as it is binding for its parties.]