



**Account Opening Application**  
**Mudharabah Minor Savings**



Date

Manager, People's Bank

For Office use only		
Savings A/C No.	<input type="text"/>	
CIF No.	<input type="text"/>	
Data Entered by Name & Service No	Officer's Signature with Service No	Manager's Signature with Service No.
<input type="text"/>	<input type="text"/>	<input type="text"/>

(Branch Code : .....)

Please open a Minor Savings Account as per details given below subject to the Rules and Regulations of the Bank.

**TYPES OF ACCOUNTS - LKR**     Isuru Udana     Sisu Udana     Fixed Deposit

**CURRENCY TYPE**

LKR     Foreign Currency (Please. Specify the currency) .....

Details of the Minor	Details of Mother / Father / Guardian
Name With Initials (Master/Miss)	Name With Initials (Mr./Mrs./Miss/.....)
Names Denoted By Initials (As per the birth certificate)	Names Denoted By Initials
Other Names (if any)	Other Names (if any)
Date of Birth <input type="text"/> Birth Certificate No <input type="text"/>	Permanent Address
Permanent Address	Postal Address (If differ from the permanent address)
Nationality / Citizenship	Email Address
National Identity Card No (If available)    Telephone No	Telephone No.    Local <input type="text"/> Foreign <input type="text"/>
Passport No. (If available)    Expiration date	National Identity Card No.
Name of the School/Pre - school (Only for Students)	Passport No. and Expiration Date
Grade	Relationship to the Minor
	Occupation/Profession
	Name and address of the Employer

**KYC INFORMATION OF THE MOTHER / FATHER / GUARDIAN**

Should be completed by the customer

1. Source of Funds     Salary Profit Income     Business Income     Family Remittances     Sale of Property / Assets     Donations /Charities (Local /Foreign)     Other (Pls. specify) .....

2. Mode of Transaction     Cash     Cheques     Wire Transfer     Other (Pls. specify) .....

3. Anticipated Volumes : Expected/Usual average volumes of deposits into the account in Rupees per month

Less than 100,000 /-     1,000,001/- to 2,000,000/-     5,000,001/- to 7,000,000/-

100,001/- to 500,000/-     2,000,001/- to 3,000,000/-     7,000,001/- to 10,000,000/-

500,001/- to 1,000,000/-     3,000,001/- to 5,000,000/-     Over 10,000,000/-

For office use only) Mandatory Checks (To be supported by one of the following accepted documents)

1. Verification of Name, Date of Birth, Nationality & Citizenship     NIC     Passport     Driving License     Other (Pls. specify) .....

2. Verification Of Address     NIC     Driving License     Utility Bills (Pls. specify) .....     Other (Pls. specify) .....

\* Please Attach copy of the birth certificate of the minor and copy of the identification document of mother/father/guardian

## MUDHARABAH AGREEMENT - FOR MINOR SAVINGS ACCOUNT

This Mudharabah Agreement is made and entered into on this .....day of .....in the year Two Thousand and ..... by and between the PEOPLE'S BANK a Banking Corporation duly established under the People's Bank Act No. 29 of 1961 as amended and having its Head Office at No. 75, Sir Chittampalam A Gardiner Mawatha, Colombo 02 in the Democratic Socialist Republic of Sri Lanka (hereinafter sometimes called and referred to as "Mudharib/Fund Manager/Bank" which term or expression as herein used shall where the context so requires or admits mean and include the said People's Bank and its successors and assigns of the One Part :

A N D

..... (Holder of NIC No. ....) of .....in the said Republic of Sri Lanka (hereinafter sometimes called and referred to as "Rabbul Maal/Investor" which term or expression as herein used shall where the context so requires or admits mean and include the said ..... and his/her heirs, executors, administrators, successors or permitted assigns) of the Other Part.

WHEREAS the Investor/s is/are desirous of opening a savings account/ with the Bank and has/have made an offer to the Bank to invest from time to time in the Mudharabah Fund of the Bank to Invest in the Bank's business activities that are expected to generate profits in Islamically acceptable modes.

AND WHEREAS the Bank has accepted the said offer of the Rabbul Maal to invest in the bank's Mudarabah Fund

NOW THEREFORE, THIS AGREEMENT WITNESSETH AND it is hereby agreed by and between the parties hereto as follows :-

### 01. Definition

The definitions of the following words shall have whenever mentioned/used the following meaning associated with each of them.

- Mudharabah** : Is a partnership in profit whereby one party provides capital (Rabbul Maal) and the other party provides Labour (Mudarib).
- Rabbul Maal/Investor** : Means a person who provides money for investment and enters into a Mudharabah agreement.
- Mudharib/Fund Manager** : Means a person who manages the funds by investing in Islamically acceptable ventures and shares profits with the investors.
- Fund Manager** : People's Bank
- Mudharabah Savings Fund** : Pool of funds entrusted by Rabbul Maal/ Investor to Mudharib/Fund Manager for investments in profit generating business activities in compliance with the principles of Shariah
- Profit** : Surplus that accrues on investment made by the Investment Fund, which at the end of a specific period, is available for distribution among investors and the fund manager.
- Loss** : Deficit resulting from investment made by the investment fund at the end of a specified period to be borne by the investors.

### 02. Profit and Loss

In the case of savings accounts any profit made by the fund will be shared in accordance with the pre agreed ratio of 50: 50 (Bank: Depositors). The investor hereby acknowledges that the profit rates will be changed from time to time, which will be informed at the beginning of a profit crediting cycle. In case of losses the investor will bear the loss up the maximum value not exceeding the investors' capital in the fund.

The Bank shall invest all moneys invested by the investor hereunder in strict Shariah Complaint business activities. In case it is discovered by the Bank that any part of the funds were invested in a non Shariah Complaint activity subsequent to any investment being made that part of the profits earned from such activity will be donated to charity in compliance with Shariah principle.

### 03. Issuing of saving account pass books

Every investor shall be issued a savings account pass book on behalf of the Minor. In case of a pass book it shall be prima facie evidence of his investment with the Bank. It will be the responsibility of the investor to ensure that the pass book is kept properly updated at all times. The investor shall not make any entries in the pass book. In the event of a pass book being lost a duplicate pass book shall not be issued instead a new account shall be opened with the balance lying in the existing account and a fresh pass book shall be issued on receiving satisfactory explanation and sufficient indemnity thereof. It is essential that the Bank be notified immediately if a pass book is lost, stolen or misplaced to obviate a risk of fraud. A charge shall be made for the issue of a fresh pass book after opening the new account.

### 04. Determination of profit.

It is clearly understood and agreed between the investors and the Bank that the Bank cannot and does not guarantee a specific rate of return on investment but only agree to share actual profits made by the Mudharabah Fund based on the agreed profit sharing ratio and applicable to such investments at the time of distribution of profits. The Bank's determination of profits and loss shall be final and binding on the investors for all purposes.

The Bank shall not be responsible for any loss incurred by the Business unless caused by the gross negligence, willful default or breach of the principles of Shariah and or terms and conditions of this Mudharabah Agreement by the mudarib.

The profit shall be calculated monthly on the basis of average investment balance and shall be credit to the account on 10th day of each month or as early as possible. The Bank is entitled to share of the profit generated from the fund. The Bank is entitled to 50% of the profit generated from the Mudharabah Savings Fund. The balance shall be distributed prorata among investors in the Mudharabah Savings Fund.

### 05. Expenses

The Bank is empowered to charge expenses including any duties/taxes/levies in any form as required under any applicable rules/laws in-force directly connected with the administration of the Mudharabah Fund to the investment pool.

### 06. Suspension

In the event of a death of a child and after the fund manager receives a valid notice of his /her death credit balances in his/her accounts shall be released by the fund manager against a valid succession certificate, order of the court, letter of administration/probate.

### 07. General

- The Minor's Savings Account shall be opened by the parent/guardian, in the name of the minor.
- The bank shall act on the instructions received from the parent/guardian until the minor attains maturity.
- On the minor reaching the age of maturity, the account shall be converted to a normal Mudharabah savings account.
- The Minor's birth certificate copy should be produced at the time of opening the account. If it is not produced, it should be done prior to converting the account to a normal Mudharabah savings account.
- The funds in the Mudharabah Minor's Savings Account shall be invested on the basis of unrestricted Mudharabah.
- The Bank shall be advised promptly in writing of any change of address of the investor or the Minor.
- A minimum average balance of Rs.500/= shall be maintained in the Mudharabah Savings Account in order to qualify for sharing of profit or bearing of loss.

### 08. Governing Law

All matters provided for in this Agreement shall be subject to Laws of Sri Lanka and the principles of Islamic Shari'ah within the existing regulatory framework applicable to the Bank including rules of Central Bank of Sri Lanka.

### 09. Dispute resolutions

The parties hereto agree and declare that if any disputes or differences shall arise, touching or concerning these presents or the interpretation thereof such disputes or differences shall be resolved by mutual negotiations and failing settlement by mutual negotiations the disputes and differences shall be referred to arbitration by two arbitrators (one to be appointed each party) with provisions for an umpire to be appointed by the two arbitrators before commencement of the arbitration.

### 10. Access to the Sharia'h Supervisory Board

The Bank will provide access to the Sharia'h Supervisory Board to review the entire account opening, and account maintenance process of the Mudharabah accounts.

All competent courts shall have the non-exclusive jurisdiction to here and determine any action, claim or proceeding arising out of or in connection with this Mudharabah Agreement. The contents of this Mudharabah Agreement have been thoroughly explained by the Mudharib /fund manager to the Rabbul Maal/Investor before the signing.

11. Should agree to comply with and be bound by the conditions, rules and regulations in force pertaining to minor accounts of the People's Bank.

.....  
Signature of Parent/Guardian  
Rabbul Maal/ Investor

.....  
Signature of Authorized Officer/Mudharab Fund manager

I hereby agree to be bound by the rules governing the children savings Accounts as detailed in the Mudharabah Agreement and in the passbook provided by People's Bank. In the event of the Account Holder's demise prior to / after attaining majority the balance in the account should be paid to legal heirs of the account holder.

.....  
Mother/Father/Guardian's Signature

Date : .....