

MINOR SAVINGS APPLICATION FORM

ISLAMIC BUSINESS UNIT
LOLC Finance PLC

.....BRANCH

Y	M	D

ACCOUNT NO

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ACCOUNT TYPE Sri Lankan Rupees JUNIOR SAVINGS ACCOUNT

PLEASE OPEN A SAVINGS ACCOUNT FOR THE MINOR AS NOTED HEREUNDER

A. NAME(S) OF INVESTOR(S)

1. MINOR

MASTER/ MISS SURNAME		CUSTOMER CODE
OTHER NAMES		
NIC / BC NO.		DATE OF BIRTH
TEL NO.		PLACE OF BIRTH
SCHOOL		GRADE

PERMANENT ADDRESS :.....
(AS PER IDENTIFICATION DOCUMENT)

2. PARENT / GUARDIAN

REV/MR/MRS/MISS/DR SURNAME		CUSTOMER CODE
OTHER NAMES		
NIC / PP NO. / DL NO.		DATE OF BIRTH
TEL NO.		PLACE OF BIRTH
E-MAIL		OCCUPATION

PERMANENT ADDRESS :.....
(AS PER IDENTIFICATION DOCUMENT)

ADDRESS 1.2. & 3.
MAILING FOR 1.2& 3.
(IF DIFFERENT FROM ABOVE, SUBMIT PROOF)

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B. DETAILS OF NOMINEE

In the event of my death I do hereby appoint, Mr/Mrs

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to continue this account, I understand that the above instructions cannot be varied

Name in full

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NIC / PP No.

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Address

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Occupation

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I confirm that the account is being opened by me as the above named minor's Parent / Guardian. Withdrawals will not be made until the minor attains the age of majority.
Yours faithfully,

.....
Date

.....
Signature of Parent/Guardian

LOLC FINANCE PLC

Company Registration No: PB 244 PQ

No. 100/1, Sri Jayawardenepura Mawatha, Rajagiriya, Sri Lanka.

Tel: +94 11 5889785 Hotline +94 11 5500786 Fax: +94 11 2861616 E-mail: al-falaah@lolcfinance.com Website: www.lolcfinance.com

FOR OFFICE USE

ACCOUNT OPENED ON (SYSTEM DATE)			ACCOUNT CLOSED ON (SYSTEM DATE)			SPECIAL REMARKS
ME CODE	<input type="text"/>	DATE	DATE	<input type="text"/>		
CREATED BY	<input type="text"/>	<input type="text"/>	CREATED BY	<input type="text"/>		
CHECKED & AUTHORIZED BY	1. <input type="text"/>	2. <input type="text"/>	CHECKED & AUTHORIZED BY	1. <input type="text"/>	2. <input type="text"/>	
AUTHORIZED OFFICER / BRANCH ACCOUNTANT / BRANCH HEAD OVER THE BRANCH STAMP			AUTHORIZED OFFICER / BRANCH ACCOUNTANT / BRANCH HEAD OVER THE BRANCH STAMP			

TERMS AND CONDITIONS

1. A 'MINORS' account will be an individual account in the name of the minor and not a joint account. The minor, in whose name the account is opened will be the beneficiary of the deposits made to the account. A minors account may be opened by any person being the minors natural guardian or a guardian appointed by a court of a competent jurisdiction (hereinafter referred as 'The Depositor') acceptable to LOLC Finance PLC., (LOFC).
2. Each depositor will be provided with a Pass Book, the safety of which will be the depositor's responsibility.
3. The amounts deposited and withdrawn will be recorded in the Pass Book by LOFC, Depositors should examine the Pass Book carefully before leaving and satisfy themselves that the entries made therein are correct. LOFC will not accept responsibility for any sums which are neither computer printed nor entered under the signature of an Authorized officer.
4. The initial deposit, minimum deposit to be maintained, profit sharing ratio and method of computing and crediting will be as per rules/regulations current at the time.
5. The Minor in whose name the account is opened will be the beneficiary of the deposits made to the account. Hence no withdrawals will be permitted from the account until the minor attains the age of majority, except for necessities of the minor acceptable to LOFC. On reaching the age of majority, the beneficiary will be required to complete and submit to LOFC a new ordinary savings account opening form and thereafter the account will be continued as an ordinary saving account belonging exclusively to the beneficiary. Such ordinary savings account will be governed by the rules relating to such savings accounts.
6. The minors Birth Certificate must be submitted at the time of opening the account and withdrawals will not be permitted unless the original birth certificate is submitted to LOFC for verification.
7. The nominee appointed by the depositor at the time of opening the account will be considered by LOFC as the depositor for all purposes in the event of the original depositor's death, prior to the minor attaining majority age.
8. Business relating to all accounts will be conducted by LOFC during its normal business.
9. LOFC reserves the right to change these rules or add any new rules at any time or change the profit sharing ratio, which will be communicated in advance.
10. The balance lying to the credit of an account of a minor may be transferred upon the instructions of the parent or a legal guardian of the minor, to an account maintained in the name of the minor in an authorized deposit taking institution, upon the completion of sixty months from the date of the first deposit or at anytime thereafter.
11. Withdrawals will not be permitted under normal circumstances, prior to the minor attaining age of majority. However, the balance lying to the credit of an account of a minor may be withdrawn by parent or legal guardian of the minor, for a justifiable reason such as meeting the cost of medical treatment or education of the minor or for any other reason acceptable to LOLC Finance PLC
12. **Anti Money Laundering and Environmental Declaration**

I/ We hereby declare and confirm that all the money that I / we use for the purpose of this facility / deposit is earned or received by me / us through legitimate sources and is not derived or realized; directly or indirectly, from any unlawful activity or from the proceeds of any unlawful activity. I / We also declare and confirm that any money that I / we will be using in the future to make any payments in terms of this agreement including the rentals, capital and/or profit shall be money earned or received by me / us through legitimate sources and shall not be money derived or realized, directly or indirectly from any unlawful activity or from the proceeds of any unlawful activity. I / We also wish to confirm that any money received or earned by me in terms of this agreement shall only be used for legitimate purposes and shall not be used for any unlawful activity. (The words unlawful activity shall have the same meaning as defined in the prevention of Money Laundering Act. No.05 of 2006.)

I/ We wish to also confirm that all my/our sources of income are generated through activity which are conducted in compliance with the environmental laws, rules and regulations which are in force in the country and will ensure that all payments that I/we make including rentals, capital, profit, fees or any Investments made in terms of this agreement now as well as in the future shall be from income generating sources which involve activity which are in compliance with the above laws rules and regulations.

MUDHARABAH AGREEMENT

THIS MUDHARABAH AGREEMENT is made and entered into on thisday of Two Thousand andbetween LOLC Finance PLC. A company incorporated in the Democratic Socialist Republic of Sri Lanka bearing business registration number PB 244 PQ and having its registered office at No: 100/1 Sri Jayawardenapura Mawatha, Rajagiriya (hereinafter called and referred to as “Mudharib/Fund Manager” which term or expression shall mean and include its successors and permitted assigns) of the ONE PART

And.....
.....

(hereinafter called and referred to as the “Rabbul Maal / Investor” which term or expression shall mean and include the heirs, executors, administrators / its successors, nominees or permitted assigns) of the OTHER PART.

The Rabbul Maal / Investor has hereby made an offer to the Mudharib / Fund Manager to invest in the Mudharabah fund with the Mudharib / Fund Manager in profit generating business ventures and projects.

And the Mudharib / Fund Manager has hereby accepted the said offer of the Rabbul Maal / Investor to invest in the Mudharabah fund, and both parties hereto agree to fulfill their respective obligations under this Mudharabah Agreement.

- Definitions : 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 the management/ labour (Mudharib).
- Rabbul Maal / Investor : Refers to the individual or entity who provides money for investment and enters into a Mudharabah Agreement (Individual or Corporate).
- Mudharib / Fund Manager : Refers to an individual or entity who manage the funds by investing in business ventures and shares profits with the Rabbul Maal/Investor.
- Investment Fund : Is a pool of funds entrusted by the Rabbul Maal / Investor with the Mudharib / Fund Manager for investments in profit generating legitimate business activities.
- Unrestricted Mudharabah Is a contract in which the capital provider permits the Mudarib to administer the mudharaba fund without any restriction provided that the investment is carried out according to the laws of Sri Lanka.
- MPB : Mudharabah Pass Book which indicates all transactional records.
- Profit : Surplus that accrues on investment made by the Investment Fund, which at the end of a specified 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 Rabbul Maal/Investor(s).

Terms and Conditions

1. The funds in the Investment Fund shall be invested on the basis of unrestricted Mudharabah.
2. The Mudharib / Fund Manager shall issue MPB evidencing the investment in the Investment Fund and the terms of Investment Fund.
3. MPB shall be stamped by Mudharib / Fund Manager and shall bear signatures of its authorized signatories.
4. The profit of the Investment Fund will be calculated on the average Investment in the fund. The profit shall be paid and loss shall be deducted after determining the outcome of the Mudharib's / Fund manager's business operations and distributed to the investors on or before the 10th working day of the subsequent month or as early as possible.

5. PROFIT SHARING RATIO

Profit share to investor	Profit share to fund manager

6. The Mudharib's / Fund Manager's determination of profit and loss shall be final and binding on the investor/(s) for all purposes.
7. In the event of loss in business / investments, which may occur without any fault or negligence on the part of the Mudharib / Fund Manager, all investors of the Investment pool agrees to share the loss on a pro rata basis.
8. The Mudharib / Fund Manager shall not be responsible for any mistake, loss or oversight unless caused by its own negligence or willful breach of the terms and conditions of this Mudharabah Agreement.
9. The Mudharib / Fund Manager shall be empowered to charge expenses directly connected with the administration of the Investment Fund, to the Investment pool.
10. The Mudharib / Fund Manager shall be fully authorized to deduct / withhold any duties / taxes / levies in any form, as required under any applicable rules / laws in force, without reference to the Rabbul Maal/Investor.

11. The Mudharib / Fund Manager shall be entitled to introduce any procedure or amendment to the Investment Fund's terms and conditions. Such amendments shall only be applied in future after notifying the Rabbul Maal/Investor by giving 7 days notice therefrom.
12. The Mudharib/Fund Manager will maintain a reserve account, referred to as the "Profit Equalization Reserve" (PER). This reserve fund, which will be maintained by the Mudharib/Fund Manager as a contingency arrangement, accumulated from the distributable profit bench marked by the CBSL cap rate and provisioning guidelines together with the industry trends, will be utilized, whenever the expected profit return has a significant negative variance.
13. In the event of death of the Rabbul Maal / Investor provided, the Mudharib / Fund Manager receives a valid notice of his / her death, the credit balances in his / her accounts shall be released by the Mudharib / Fund Manager against a valid succession certificate, order of the court, letter of administration, probate, except, where operating instructions are given to release the funds to a nominee.
14. This Mudharabah Agreement is governed by and shall be construed in accordance with the applicable laws of Sri Lanka. All competent courts shall have jurisdiction to hear and determine any action, claim or proceedings arising out of or in connection with this Agreement
15. All matters either provided or not provided for in this Mudharabah Agreement will be conducted strictly within the existing regulatory framework applicable to Registered Finance Companies and funds mobilized will be considered as deposits for the purpose of the Finance Companies (Liquid Assets) Direction No. 04 of 2013, Finance Companies (Capital Funds) Direction No. 01 of 2003, Finance Companies (Deposit) Direction No. 01 of 2005, Finance Companies (Deposit – Incentive Schemes) Direction No. 05 of 2001 and the Finance Companies (Interest) Direction No. 02 of 2016 and any other future regulations and directions.
16. The Mudharib/Fund Manager shall maintain a reserve for doubtful debts in respect of the investment fund.
17. All documents issued consequent and in relation to this Mudharabah Agreement, such as the Account opening Form, Mudharabah Investment Slip, Mudharabah Investment Book shall be an integral part hereof.
18. The Rabbul Maal/ Investor hereby appoints of.....(NIC No.) as his/her nominee under this Mudharabah Agreement.
19. The contents of this Mudharabah Agreement has been thoroughly explained by the Mudharib / Fund manager to the Rabbul Maal / Investor before the signing.

The parties, having read and understood fully the contents of this Mudharabah Agreement, have signed this Mudharabah Agreement.

Signature of the Depositor
Parent / Guardian
(Rabbul Maal / Investor)

For and on behalf
of the Mudharib /
Fund Manager

Witnesses

Signature 1. 2.

Name

NIC No

Address

LOLC FINANCE PLC

Company Registration No: PB 244 PQ

No. 100/1, Sri Jayawardanepura Mawatha, Rajagiriya, Sri Lanka.

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