

## Deposit Investment Terms

This agreement sets out the terms and conditions (the “**Terms**”) that apply to Transfer Accounts and fixed term Premier Deposits held in your Premier Deposit Account.

### Part 1 – Definitions

Words	Definitions
Acceptance	Our written acceptance of your offer to deposit money with BLME.
Business Day	A day (other than a Saturday or Sunday) on which banks are open for clearing business in London.
Confirmation	A confirmation detailing the following terms of a Premier Deposit: (a) Currency and Deposit Amount, (b) Deposit Date, (c) Deposit Period, (d) Maturity Date, (e) Expected Profit, (f) Expected Profit Rate, (g) Profit Instalment Date(s), and (h) Investment Reference
Deposit Amount	The amount of a Premier Deposit invested in your Premier Deposit Account under these Terms.
Deposit Date	Subject to receipt of cleared funds the date when the Premier Deposit will start and which must be a Business Day.
Deposit Period	The period beginning on the Deposit Date and ending on the Maturity Date.
Expected Profit	The expected profit amount in relation to a Premier Deposit and as stated in the Acceptance.
Expected Profit Rate	The expected rate of return for a Premier Deposit initially indicated for a Deposit Period on the Website but as confirmed for a Premier Deposit in the relevant Acceptance.
Expected Maturity Proceeds	The Deposit Amount plus the Expected Profit.
HMRC	H.M. Revenue & Customs or any successor.
Investment Reference	A unique reference number identifying each Premier Deposit in your Premier Deposit Account.
Investment Request Form	A form used by existing Premier Deposit Account customers to place additional Premier Deposits or to re-deposit Maturity Proceeds or part thereof into another Premier Deposit.
Maturity Date	The date for payment of the Maturity Proceeds in relation to a Premier Deposit.
Maturity Proceeds	The Deposit Amount plus the Profit on the Maturity Date less any Profit Instalments paid during the Deposit Period.
Offer	An offer by you to deposit money as a Premier Deposit.
Party	Bank of London and The Middle East plc or the person or persons or entity making the Premier Deposit and “ <b>Parties</b> ” means both.
Premier Deposit	A fixed term deposit governed by these Terms under which we, acting as your investment agent, will invest your money in Sharia’a compliant transactions, as interpreted by our Sharia’a Supervisory Board.

#### Bank of London and The Middle East plc (“BLME”)

Bank of London and The Middle East plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Bank of London and The Middle East plc is a company registered in England & Wales, company number 05897786. The registered office is: Cannon Place, 78 Cannon Street, London, EC4N 6HL, United Kingdom. BLME Dubai is regulated by the DFSA as a Representative Office. DFSA Firm Reference Number F002022.

Premier Deposit Account	The account recording your Premier Deposits.
Profit	The profit due to you in relation to a Premier Deposit for the Deposit Period. Profit Instalments may be made on account of such profit on each Profit Instalment Date.
Profit Instalment	An amount paid on a Profit Instalment Date on account of the Profit.
Profit Instalment Date(s)	In respect of a Premier Deposit the date(s) on which payments on account of the Profit shall be paid as stated in the Confirmation.
Regulatory Requirements	(i) any obligation we have to comply with under any law or regulation (including any tax legislation or rules made by an applicable regulatory body), or as the result of a decision by a court, tribunal, ombudsman or similar body, or (ii) any industry guidance or codes of practice or conduct which we follow.
Sharia'a	The rules, principles and parameters of Islamic law as interpreted by our Sharia'a Supervisory Board.
Sharia'a Supervisory Board	A committee of Sharia'a scholars appointed by us from time to time.
Transfer Account	A non-interest bearing account in your name held with us to solely facilitate the receipt and payment of the Deposit Amount, Profit Instalments and Maturity Proceeds. Any sum of money deposited in this Transfer Account is repayable at par value.
we, us and our	Bank of London and The Middle East plc, a company incorporated under the laws of England and Wales with registered number 05897786 and whose registered office is at Cannon Place, 78 Cannon Street, London EC4N 6HL.
Website	<a href="http://www.blme.com">www.blme.com</a>
you and your	The person or persons or entity entering into the Premier Deposit.

## Part 2 – Your Deposit

### 1 Opening a Premier Deposit with us

- 1.1 Before you can place your first Premier Deposit with us, you must apply for a Premier Deposit Account. You may apply for a Premier Deposit Account and a Premier Deposit by making us an Offer through the Premier Deposit Account section of our website. If we accept your application and agree to open a Premier Deposit Account for you, we will also open a Transfer Account in your name and we shall notify you of the details of the Transfer Account when we confirm to you that your application has been approved. You must pay the Deposit Amount to the Transfer Account before we will issue an Acceptance.
- 1.2 The rates and periods we quote on our Website only constitute an invitation for you to make an Offer and are indicative only. Our indicative profit rates may be withdrawn or changed at any time before a Premier Deposit is made. If we accept your Offer, then we will send you a dated Acceptance, which will create a binding agreement for a Premier Deposit. We will record each Premier Deposit with an Investment Reference in your Premier Deposit Account.
- 1.3 You may cancel our agreement for each Premier Deposit within fourteen (14) days from the date of our Acceptance. If we do not receive a cancellation notice from you within this period, then your binding agreement to enter into a Premier Deposit will stand. You will then be entitled to a return of your Premier Deposit only under Clause 2.1(c) or following a notice from us under Clause 3.3 or 6.3.
- 1.4 If you already hold a Premier Deposit Account, you can make an Offer to place additional Premier Deposits with us. You will need to complete an Investment Request Form and select the Deposit Period and Deposit Amount for each additional proposed Premier Deposit. When you do this, you grant us authority to transfer the amount of the relevant Premier Deposit from your Transfer Account to your Premier Deposit Account provided there is sufficient credit balance for the Deposit Amount.
- 1.5 We will not start any Premier Deposit until we receive the cleared Deposit Amount in full in your Transfer Account. We will fix the Expected Profit Rate for your Premier Deposit during business hours on the Business Day we receive the Deposit Amount in accordance with this clause. If the Expected Profit Rate has changed between the date of you making your Offer and our receiving the Deposit Amount, we will advise you of the new Expected Profit Rate. We will ask you whether you wish to go ahead with the Premier Deposit at this rate. If you tell us within five (5) Business Days of our notice that you do not wish to go ahead, or if we do not receive any response from you at all within five (5) Business Days of our notice, we will return the relevant funds immediately to the account from which you transferred them to us.
- 1.6 Following an Acceptance, we will send you a Confirmation once we receive the Deposit Amount as cleared funds. We may send the Confirmation with the Acceptance or separately.
- 1.7 We will calculate the profit earned on your Premier Deposit during the Deposit Period. We will then deduct any applicable income tax or other taxes we are required to deduct. We will then transfer to your Transfer Account (a) the Profit Instalment on the Profit Instalment Date and (b) the Maturity Proceeds on the Maturity Date. The tax payable on your Premier Deposit will depend on your personal circumstances and may change. It is your responsibility to ensure that all taxes payable on your Premier Deposit are paid.
- 1.8 HMRC and other international tax authorities may instruct us to release money in your Premier Deposit Account or Transfer Account to them in order to recover debts or alleged debts owed to

HMRC and/or to other international tax authorities. We must comply with our legal duties and obligations. This may include transferring money from your Premier Deposit Account or Transfer Account to HMRC, to other international tax authorities or to any other entity designated by HMRC or such international tax authorities without your prior knowledge and/or consent.

## **2 Agreement between the Parties in relation to the agency relationship and each Premier Deposit**

2.1 You agree:

- (a) that we are not acting as, and shall not be regarded as, your trustee or agent in any way, except that you appoint us as your investment agent to invest the Deposit Amount for each Premier Deposit for the Deposit Period in accordance with these Terms;
- (b) that we are authorised to do all acts you could do with respect to the Deposit Amount in order to invest the Deposit Amount on your behalf;
- (c) unless you cancel in accordance with Clause 1.3, not to ask for the return of any Deposit Amount before the Maturity Date. You agree that you cannot make withdrawals from the Premier Deposit Account and you cannot close the Premier Deposit Account during a Deposit Period unless you or a joint account holder die or are diagnosed with a terminal illness;
- (d) that we may combine all or any part of your Deposit Amount with our pool of investments and with other amounts received by us pursuant to other transactions entered into with others, with the intention of achieving a combined return on these investments of no less than the Expected Profit for the relevant Premier Deposit; and
- (e) that we may disclose information about you and your Premier Deposit Account and Transfer Account to any court of competent jurisdiction or any governmental, banking, taxation or regulatory authority or similar body or pursuant to any applicable law or regulation.

2.2 We agree that in respect of each Premier Deposit:

- (a) you rely on our expertise with respect to the investment or use of the Deposit Amount; and
- (b) we will invest the Deposit Amount with the same degree of due diligence and care as we would exercise when investing our own funds. We will be responsible to you for any actual losses you suffer because of our misconduct or negligence.

## **3 Changes to Expected Profit**

3.1 We will tell you if, based on the performance of the investments, we expect the Profit for any Premier Deposit to be lower than the Expected Profit. Our notice will include the new lower Expected Profit.

3.2 You will then have seven (7) Business Days from the date of our notice to tell us that you wish to continue with the Premier Deposit on the basis of the revised new lower Expected Profit. If we receive your notification that you wish to continue within that period, that lower Expected Profit will then replace the original Expected Profit for that Premier Deposit.

3.3 If we have not received your response within seven (7) Business Days of the date of our notice, we will end the Premier Deposit on the thirty first (31st) calendar day starting with the first Business Day

following expiry of the seven (7) day response period. If you tell us that you do not wish to continue with the Premier Deposit, we will end the Premier Deposit on the thirty first (31st) calendar day starting with the first Business Day following our receipt of your notification. Upon closing of the Premier Deposit we will transfer the Maturity Proceeds to your Transfer Account.

- 3.4 In this clause, **Maturity Proceeds** includes the accrued profit less Profit Instalments already received, if any, at the originally agreed Expected Profit Rate.
- 3.5 We shall not be liable to you for any shortfall between your Expected Profit and the Profit unless the loss or shortfall is caused directly by our negligence or misconduct.

### Part 3 – General

#### 4 Termination

- 4.1 You may end these Terms and any Premier Deposit during a Deposit Period only in accordance with these Terms.
- 4.2 We may end these Terms and any Premier Deposit you have with us at any time after giving you twenty (20) Business Days' written notice if:
- (a) you are in material breach of any of these Terms; or
  - (b) you become insolvent or any proceedings are commenced seeking a judgment of or arrangement for bankruptcy, rehabilitation, reorganisation, administration, winding up, liquidation or other similar relief in respect of you or your debts or assets, or a trustee, receiver, liquidator, conservator, administrator or other similar official is appointed for you or any substantial part of your assets or equivalent or similar processes in any relevant jurisdiction.
- 4.3 Where we end any Premier Deposit, we will transfer any funds in your Premier Deposit Account to your Transfer Account at the end of the relevant notice period.
- 4.4 Clauses 1.7, 1.8, 2.1(e) and 5 shall survive the termination of these Terms.

#### 5 Late Payments by us

If we fail to pay you any amount due under these Terms, we will pay you a late payment fee of 1% per annum above the relevant central bank rate for that currency (such as the Bank of England 'Base Rate' for Pounds Sterling) on the amount due, calculated on the basis of the number of days our payment is late. We will use the late payment fee to pay any actual costs incurred by you as a result of our failure to pay due amounts under these Terms. We may deduct any claims due to us that may arise under the Terms from any such payment. We will donate any remaining sum to charity in accordance with the guidelines set by our Sharia'a Supervisory Board.

#### 6 Changes to these Terms

- 6.1 We may change these Terms:

- (a) to reflect a change in law, decision or recommendation of any court or ombudsman which impacts on the way in which we provide Premier Deposit Accounts;
- (b) to conform with or reflect any Regulatory Requirements, such as recommendations of the Financial Conduct Authority or the Prudential Regulation Authority; or
- (c) to correct any minor error in the wording of these Terms.

6.2 For the purposes of this clause, a 'change' will include any proposed amendment, deletion or addition to these Terms.

6.3 We will notify you of a change at least two (2) months before it actually takes effect, and explain the reasons for the change. If due to a Regulatory Requirement the change must be effective earlier, the change will become effective on the required date but we will still notify you of the change. We will use any of the means set out in Clause 6.4 to notify you of a change. If you object to any change you must tell us in writing within a two (2) months' notice period. We will treat this as notice of your intention to terminate each Premier Deposit under these Terms. We will then terminate the Premier Deposit(s) at the end of the period of thirty one (31) days starting on the first Business Day after the date we receive your objection. We will repay you the Deposit Amount and accrued profit less Profit Instalments, if any, at the end of that thirty one (31) day period. Unless made with immediate effect further to a Regulatory Requirement, the changes will not apply to your Terms during that thirty one (31) day period. You will not be charged for the closing of your Premier Deposit(s) if notice to do so is given during the two (2) months' notice period. If you do not tell us you object to a change during the two (2) months' notice period, you will be deemed to have accepted such change with effect from the notified date.

6.4 We may communicate with you for the purposes of these Terms by:

- (a) emailing you at the email account you have provided to us. Where we email you, you will be deemed to have received our communication at the time our records show it was sent, unless we receive a bounce-back or other notification of delivery failure, or
- (b) if we are unable to email, by writing to you personally at the last address notified to us including that on your Premier Deposit Account application forms. Where we write to you, you will be deemed to have received our communication within two (2) Business Days of the date of the communication, or
- (c) a combination of the above.

Where you communicate with us for the purposes of these Terms, you should contact us using the methods described in Clause 9. We would prefer you email us. When you write to us, please send your communication by first class post.

## **7 Law and Jurisdiction**

7.1 English law applies to these Terms and governs our relationship.

7.2 Any disputes relating to these Terms will be heard in the English courts.

## 8 Financial Services Compensation Scheme

8.1 We are a member of and covered by the Financial Services Compensation Scheme (“FSCS”) established by the Financial Services and Markets Act 2000. The FSCS may pay you compensation if you are eligible and we are not able to meet our obligations under these Terms. Most depositors, including most individuals and small businesses, are covered by the scheme.

8.2 For further information about the FSCS (including the amounts covered and eligibility to claim) please refer to the FSCS:

Post: The Financial Services Compensation Scheme  
10th Floor, Beaufort House  
15 St Botolph Street  
London  
EC3A 7QU

Telephone: 0800 678 1100

Website: [www.fscs.org.uk](http://www.fscs.org.uk)

## Part 4 – Contacting Us

### 9 You can contact us by:

Email: [savings@blme.com](mailto:savings@blme.com)

Post: BLME (Savings Team)  
Cannon Place  
78 Cannon Street  
London  
EC4N 6HL  
United Kingdom

Telephone: +44 (0)20 7618 0147

### 10 If You Are Not Happy

10.1 If you are not happy with us and have a complaint then you can write to us using the contact details noted in Clause 9 above.

10.2 For more information on our complaints procedure, please visit our website: [www.blme.com](http://www.blme.com).

10.3 If we are unable to resolve your complaint in a timely or satisfactory manner, you may choose to refer your complaint to the Financial Ombudsman Service at:

Post: Financial Ombudsman Service  
Exchange Tower  
London

E14 9SR

Telephone: 0800 023 4567

Website: [www.fos.org.uk](http://www.fos.org.uk)

**Bank of London and The Middle East plc are a member of and covered by the Financial Services Compensation Scheme ("FSCS") established by the Financial Services and Markets Act 2000. The FSCS may pay you compensation if you are eligible and we are not able to meet our obligations under these Terms. Most depositors, including most individuals and small businesses, are covered by the scheme. For further information about the FSCS (including the amounts covered and eligibility to claim), please refer to the FSCS website at [www.fscs.org.uk](http://www.fscs.org.uk).**