

**THE PEOPLE'S BANK OF ZANZIBAR  
LIMITED**

**ISLAMIC BANKING  
DIVISION**

**The Agreement Between Islamic Banking Division of  
PBZ and Customer**

**1. Scope**

This agreement contains General Terms and Conditions hereafter referred to as terms which shall apply to the relationship between the People's Bank of Zanzibar (herein referred to as the bank) and the customer as whole. In addition any relevant specific terms and conditions and the fees set out in Tariff Guide shall apply. In event of any conflict between the general terms and conditions and specific terms relating to any particular product or account, the relevant specific Terms and conditions shall prevail.

**2. Definitions of Terms**

In this agreement, unless the context has stated otherwise:

'Account'	means account to which customer's entries of debits and credits will be recorded
'Customer'	any person (individual either singly or in joint manner, or organization in whatsoever form) who maintains account relationship with the Bank
'Joint account'	means bank account conducted by two or more parties who are neither partner, nor executors, nor administrators, nor trustees
'the agreement'	means this agreement
'the applicant'	means a person applying for opening of bank account with the Bank
'the Bank'	means the People's bank of Zanzibar Limited established under the company Decree cap 153 of laws of Zanzibar
'the general terms and conditions'	herein referred to as terms means terms and conditions applicable in this agreement.
'the specific terms and conditions'	means specific terms and conditions applicable to specific class of product (s) or services (s)
'Tariff guide'	means the Bank's guide on rates and charges of service (s) rendered to customers from time to time

In this agreement clause headings are inserted for convenience only and shall neither affect nor invalidate the interpretation of the agreement and the

singular includes the plural wherever and whenever applicable

**3. Amendment to General Terms and Conditions**

The Bank may amend these terms and any specific terms and conditions (including Bank charges) at any time.

**4. Opening an Account**

**4.1** In order to open an account with the Bank applicant must:

- (i) Fully complete the relevant application form/s made available by the Bank so that it contains an accurate and comprehensive response to all the questions asked by the Bank;
- (ii) Attach all documents referred to on such application form or requested by the Bank but not listed in the form; and
- (iii) Provide all such other information or documentation which may be requested by the bank

**4.2** The applicant must be confirmed by a reliable third party, the identity of whom must be agreed with the bank, and the bank reserves the right to seek and take up reference on such applications

**4.3** The Bank may, on receipt of an application to open an account and thereafter at any time, make enquiries about the credit record of the customer with credit reference agencies or other persons as the bank may consider necessary or appropriate.

**4.4** Only once the Bank has confirmed to the applicant in writing of his successful identification and the recording of his data will the bank open an account for the customer.

**4.5** Where the customer makes a written request to the bank, the bank may (but shall not be obliged to) provide information to credit reference agencies and account of the customer with the bank but the bank shall incur no liability doing so.

**5. Authorised signatories**

The customer shall supply a specimen of the customer's signatories (and shall ensure that any such authorized signatory provides a specimen signature), as and when required by the Bank.

**6. Giving Instruction**

**6.1** The bank shall act on instruction given in a Document bearing the original signature of the customer (or his authorized signatory)

**6.2** The Bank at its discretion may, in some circumstances, allow instructions to be given by telephone, email, facsimile transmission or other means of transmission provided that the Bank's proper security procedures have been followed.

**6.3** The Bank may refuse to act on any instruction of the instruction is not clear, or if the bank believes that (i) doing so would contravene any applicable law or regulation or; (ii) the Bank reasonably believes that Instruction may involve fraudulent or other serious Criminal behavior.

## **7. Joint Account Holders**

**7.1** Where an account is to be opened in the name of more than one person, the rights and obligations of each joint account holder and other matters with respect to the operation of the account shall be as agreed in writing by each of them with the bank from time to time.

**7.2** If there is no agreement to the contrary pursuant to clause

7.1 the account holders shall have joint and several liabilities and each joint account holder shall be deemed to have full authority to operate the account, and to make withdrawals and transfers from the joint account without the consent of the other joint account holders

**7.3** Reference to customer in these terms shall include each joint account holder

## **8. Changes of Customer Details**

The customer must notify the Bank immediately in writing (or, at the discretion of the Bank, by any other means) of any change of name or residential or correspondence address (in each case providing such evidence as the Bank may require) or any cancellation or change in authorization by such customer.

## **9. Currency Exchanges**

**9.1** The Bank will carry out currency exchange transaction in accordance with the standard banking practice of the Bank from time to time within the limit of shariah.

**9.2** The exchange rate applied will, unless otherwise agreed with the customer beforehand, be based on the rate used by the Bank for similar transactions at the time the currency exchange transaction occurs.

## **10. Customer Financing**

**10.1** Customer may receive finance from the Bank only upon such terms as may be agreed in writing between the customer and the Bank.

**10.2** Any such facilities must be approved in advance by the Bank in each case. The applicant accepts that the provision of any facility or other accommodation may be granted or refused at the sole discretion of Bank.

**10.3** The Bank will charge markup on the banking facilities, as determined in the sole discretion of the Bank (or as may be specifically agreed in writing with the customer). The customer irrevocably and unconditionally agrees to pay any and all such markup to the Bank as and when and in whatever way the Bank determines or directs.

**10.4** Customers shall be liable for any amounts owed to the Bank.

## **11. Costs, Fees and Expenses; deduction from account**

**11.1** The Bank shall have right to charge applicable fees as detailed in the Tariff Guide, which fees may be varied from time to time.

**11.2** The bank will have the right (without reference to the customer) to debit any account of the customer in respect of any fees, expenses (including without limitation, legal cost, taxes and stamp duties),

commissions paid or incurred on its behalf, or charges levied as a consequence of any dealings between the Bank and the customer.

## **12. Bank's Lien and set off**

**12.1** In addition to an general lien or other rights or other right or remedies to which the Bank may be entitled whether by operation of law or otherwise, the bank may at

any time and without notice combine or consolidate any or all accounts of the customer in any currency and set off or transfer any amounts standing to the satisfaction of

any liabilities of the customer to the Bank with respect to any other account(s) or in any other respect, regardless of whether such liabilities be several or joint.

**12.2** The Bank shall have a lien on all claims to which the customer is entitled or to which the customer will be entitled arising from relationship between the Bank and the customer.

**12.3** The lien serves as security for all existing future and conditional claims against the customer, to which the Bank is entitled as a result of the banking business relationship.

## **13. Termination of Relationship**

**13.1** The customer may at any time and without giving any reason by notice in writing terminate either giving any reason by notice in writing terminate either the whole of

the relationship with the Bank or particular service(s) relating to a particular product(S)

(in case of joint account holders, all account holders must sign), such termination to be without prejudice to any right accruing up to the period of such termination.

**13.2** The Bank may time and without giving any reason after 30 days written notice terminate the whole of the relationship with the customer or any particular service(S) relating

to particular products(s) such termination to be without prejudice to any rights accruing up to the period of such termination. however, the Bank shall be entitled to terminate the whole of the relationship with the customer immediately if it reasonably that (i) the customer has been

involved in fraudulent or other serious criminal behavior:

(ii) the terms and or specific terms and conditions between the bank and the customer have been materially breached; (iii)

the relationship between the Bank and the customer has irretrievably broken down, or (iv) the customer including any joint account holder constituting a part of the customer has been adjudged bankrupt, insolvent or their affairs have become subject to administration, receivership or any similar process.

**13.3** On termination of any account, the customer shall return such items as may reasonably be requested by the Bank (including, without limitation, all cards and unused cheques). The customer must immediately repay any amounts outstanding in favor of the Bank.

#### 14. Liability

**14.1** In these terms, any exclusion or restriction of a liability or remedy is only valid to the extent that the liability or remedy:

14.1.1 Does arise from death or personal injury

14.1.2 May by law be excluded or limited, and

14.1.3 Does not arise from fraud or dishonesty of The person relying on the exclusion or restriction.

**14.2** Neither the Bank, its officers, agent nor its employees shall be liable for any unauthorized withdrawal from or access to any account except where previous notice of any statement, withdrawal from or other account record has been provided to the bank and confirmed in writing.

**14.3** Any documentary evidence provided by the Bank regarding a customer's account shall be considered to be final and conclusive proof of the status on the customer's account.

**14.4** The Bank shall not be liable to the customer for any failure to fulfil any obligation caused by the circumstances outside its reasonable control, or for failing to act pursuant to clause 6.3

**14.5** The Bank's liability to the customer for the loss or damage resulting from the failure, delay or error in carrying out instructions will in any event be limited to the lower of amount of such failure, delay or error. The Bank will not be liable to the customer for loss of business, loss of goodwill, loss of opportunity, of profit or any other type of special, consequential or indirect loss whatsoever.

**14.6** The Bank shall not be liable for any losses which are not suffered by the customer directly, or which the bank could not have reasonably foreseen.

**14.7** The Bank shall not be liable to the customer in respect of its taking any action required by the law, including, without limitation, pursuant to any order to freeze the account(s) of the customer or any garnishee order.

#### 15. Data Protection

The Bank shall be entitled to keep details supplied by the customer and other in connection with or relating to the relationship between the Bank and the customer to electronic database, manual filing system or in any other way. Any subsidiary of the Bank with whom the account holder has a relationship may use and update any centrally held information to provide the customer with services, to prevent fraud and to update their own record about the customer.

#### 16. Confidentiality

The Bank will maintain and preserve its duty of confidentiality in relation to the customer's financial affairs in accordance with Zanzibar law and generally accepted international banking practice. The bank will only pass on information relating to a customer if it has a duty (or is legally required) to do so, or if the customer has requested or consented to the release of such information, whether pursuant to clause 14.7 or otherwise.

#### 17. Communications

**17.1** Unless the bank notifies a specific address to the customer, any letter, notice or other document in respect of account may only be served on the Bank by the customer at the branch of the Bank with which the customer principally does business.

**17.2** Any letter, notice or other document served by the Bank to the customer shall be deemed to be served if sent by post and addressed to the customer at last notified address 2 working days in Zanzibar after posting and 7 days in Tanzania and forthwith to any other country.

**17.3** The bank may monitor and record telephone calls to verify that the customer's instructions have been carried out correctly, and to prove the Bank's quality of service.

**17.4** The bank may contact the customer about the bank's other services which the bank believes may be of interest to the customer, unless the customer has informed the bank in writing that they do not wish to receive information.

**17.5** The customer shall forthwith notify the bank upon the occurrence of any event that would entitle the bank to terminate the whole or any part of its relationship with the customer pursuant to clause 13.2

#### 18. Validity of the Terms

If any term in these general terms and conditions or any relevant specific terms and conditions is held to be invalid, in whole or in part of these general terms and conditions or specific term and conditions, as applicable. The enforceability of the remainder of the terms will not be affected.

#### 19. Entire Agreement

These general terms and conditions together with any relevant specific terms and conditions, the tariff guide the any specific agreement in writing between the Bank and Customer from the entire agreement between the bank and the customer.

#### 20. Applicable law and jurisdiction

**20.1** These general terms and conditions, any specific terms and conditions and specific agreements in writing between the Bank and customer will be governed by, and interpreted in accordance with available Islamic governed laws such as **Mufti's law wakf and Trust Laws, Qadhi's Laws** and where the agreement is not reached other laws of Zanzibar shall apply.

**20.2** The customer irrevocably agrees that the courts of Zanzibar will have jurisdiction to settle any claim, difference or dispute which may arise out of or in connection with the Bank's relationship with the customer including as regards these general terms and conditions and any specific agreements in writing between the bank and the customer.

**20.3** Notwithstanding the provisions of clause 20.2, the Bank shall be entitled to take proceedings against the customer in any other court of competent jurisdiction.

## 21. Complaints

In event of a cause for the complaint, the customer should write in the first instance to the manager of the branch of the Bank with which the customer principally does business and, only if the customer remains dissatisfied, the head office of the Bank.

I/We, the undersigned have read, clearly understood the content of and agree to abide to the terms and conditions of the document.

Place.....Date.....

Name(s) Signature(s)

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For Official use only:

**Signed in the presence of  
Bank Officer's**

**name**.....

**Signature**.....

**This day of**.....**of**.....**20**.....

