

## MUDARABAH (FUND COLLECTION) CONTRACT CUSTOMER INFORMATION FORM

This form was issued for the purpose of providing information to the client under the scope of the communique<sup>1</sup> of Banking Regulation and Supervision Agency (BRSA).

**1. Contract Type:** Mudarabah (Entrepreneur-Capital Partnership)

### **2. Basic Features of the Contract and Contractual Rights and Obligations of the Parties:**

Participation account can also be opened with different types of contract and one of these methods is mudarabah contract.

Mudarabah is a type of partnership based on the principle of sharing the profit at a predetermined rate to be obtained as a result of the investment of the capital by one of the parties and operating of the entrepreneur of the other party. Briefly, it is a entrepreneur-capital partnership.

The parties may terminate the mudarabah contract unilaterally at any time they wish.

The profit sharing rate determined at the beginning of the contract in the participation accounts cannot be changed until the maturity, without prejudice to the legal provisions.

The mudarabah capital held by the participation bank is in the form of trust, and the loss sharing rate of the customer as the capital owner in the participation accounts is one hundred percent. Participation bank shall lose its entrepreneur in case of a possible loss.

The profit to be earned by the customer from the participation bank through the participation account is calculated with the current unit account value on the account's maturity date.

Participation accounts that are not closed on maturity date are deemed to be renewed at the same maturity and profit and loss sharing rate valid on the renewal date, in accordance with the relevant regulations.

In participation accounts, where the participation fund is withdrawn by the customer with the approval of the participation bank before the maturity date, the customer will be paid as much as the amount deposited to the account by the customer until such day if account's maturity group shows a profit on the date the account is closed, and in case of loss, the customer will be paid as much as the unit account value.

The participation bank may allocate profit balancing reserves for participation accounts, within the framework of the relevant legal regulations, from the profits to be distributed at the end of the period. The participation bank shall have a right, at its sole discretion, to increase the profit to be distributed in favor of the account holders by using profit balancing reserve and/or waiving the profit share accrued in its favor provided that it is not permanent, or to cover the losses for the benefit of the account holders by using the profit balancing reserve in the periods when loss occurs and/or cover it from its own equity, provided that it is not permanent.

### **3. Compliance of the Product or Service with the Principles and Standards of Interest-Free Banking:**

Participation account is a contract based on entrepreneur-capital partnership and its legitimacy is based on the basic principles of Islamic law. The transactions made by the participation banks under

this scope comply with the principles and standards of interest-free banking.

#### **4. The Capacity of the Customer under the Scope of the Contract:**

Participation bank is in the position of operator and the customer is in the positions of investor in the partnership established.

#### **5. Process and Functioning:**

Upon the approval of the contract and documents between the customer and the participation bank, a contract regarding the participation account is established.

The customer deposits funds (money or precious metal) into the participation account.

Participation bank invests the deposited funds by means of mudarabah etc. in accordance with the principles and standards of interest-free banking.

Profit earned from such activities is shared with the customer at the pre-agreed rate at the maturity date. In case of loss, the customer shall bear this loss as the capital owner. The account holder is not paid any predetermined returns and the full repayment of the principal is not guaranteed.

#### **6. Corporate Website through which the Customer may obtain more Comprehensive Information about the Products and Services:**

You may have access to more comprehensive information about our products and services and permission (ijazah) certificates through the website of our Bank at [www.ziraatkatilim.com.tr](http://www.ziraatkatilim.com.tr).

**Information Form Delivery Date: ..... /..... /.....**

**Name/Surname/Title of the Customer** :.....

**Turkish ID Number/Tax ID Number** :.....

(Information may be provided face-to-face and remotely through remote means of communication/in electronic environment/from a distance, and while providing information face-to-face, the expression **“I was provided verbal and written information and my declaration of intent has been received”** must be inserted and undersigned on the information form with your handwriting.)

**Seal/Signature:**

<sup>1</sup> *Communique on the Principles and Procedures Concerning Providing Information to the Customers & Public under the scope of the Principles & Standards of Interest-Free Banking Published by Banking Regulation and Supervision Agency (BRSA) in the Official Gazette on November 30, 2021.*

Ziraat Katılım Bankası A.Ş. Trade Registration Number: 962000	Headquarters Address: Finanskent Mah. Finans Cad. B Blok No: 44B İç Kapı No: 29 PK: 34760 Ümraniye/İSTANBUL Central Registration System No: 0998-0793-1170-0015 Internet Address: <a href="http://www.ziraatkatilim.com.tr">www.ziraatkatilim.com.tr</a>
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