

TERMS & CONDITIONS

GOVERNING ADVICE AND ARRANGEMENT OF IJARAH HOME PURCHASE PLAN SERVICES

KUWAIT FINANCE HOUSE PLC

1. Introduction

1.1 Purpose of these Terms

Please read these terms and conditions (the "**Terms**") carefully and retain them for future reference.

The Terms provide important information about your relationship with Kuwait Finance House PLC (the "**Bank**") and represent the terms of the agreement between you and the Bank. The Terms confirm that the Bank will act reasonably at all times and set out the basis upon which the Bank agrees to:

- (a) provide advice on its range of home purchase plans; and
- (b) arrange transactions to enable you, when appropriate, to enter into a home purchase plan contracts.

These two activities are collectively, referred to in these Terms as the "**Services**" to you (the "**Client**").

If you decide to enter into a home purchase plan transaction with the Bank, you will be required to enter into separate terms and conditions which will govern the terms of the home purchase plan transaction.

By seeking our advice or asking us to arrange home purchase plan you accept these Terms.

If you do not understand any aspect of the Terms, please ask for further information or clarification.

1.2 The Bank's Details

The Bank is authorised in the United Kingdom by the Prudential Regulation Authority ("**PRA**") and regulated by the Financial Conduct Authority ("**FCA**") and the PRA. The Bank's Financial Services Register number is 131818. Our regulated status can be confirmed by checking the Financial Services Register which can be accessed from the FCA website www.fca.org.uk. Alternatively, our authorised status can be confirmed by contacting the PRA which is a subsidiary of the Bank of England by telephone on +44 (0)20 7601 4878 or by post addressed to the Bank of England, Threadneedle Street, London EC2R 8AH.

The Bank is authorised to carry out a range of regulated activities. Advising on and arranging regulated home purchase plans are FCA regulated activities which are the Services covered by these Terms. Separate terms of business exist for other FCA regulated activities offered by the Bank.

These Terms also apply to the service of assisting with the making of an application for an unregulated home purchase plan. The Bank does not offer to advise potential applicants on the suitability for them of any unregulated home finance contract.

The Bank is a wholly owned subsidiary of [Ahli United Bank B.S.C.] and is registered in England with Company Number 00877859. Its registered office is 35 Portman Square London W1H 6LR.

1.3 Structure of these Terms

These Terms are organised as follows:

Section 1 Introduction – Describes the Bank's agreement with you.

Section 2 Terms and Conditions for All Services – Sets out the terms that apply to all of the Services provided under these Terms.

Section 3 Home Purchase Plan Services – Describes the nature of the Services

1.4 Definitions and Interpretation

Unless the context requires otherwise, the following words shall have the meanings provided below:

"Agreement": the agreement between you and the Bank as set out in these Terms.

"Application Form": the Home Finance Application Form completed by you.

"Business Day": any day other than Saturday, Sunday and bank and public holidays in England and Wales.

"Business Hours": 9.00am to 5.00pm in London on Business Days with the exception of the last Business Day before the Christmas bank or public holiday when Business Hours ends at 1.00pm and the last Business Day before the New Year bank holiday or public holiday when Business Hours ends at 3.00pm.

"Group": Ahli United Bank B.S.C. Bahrain, its subsidiaries, associated and affiliated companies and their branches, including the Bank.

"Home Purchase Plan Transaction": is a type of Regulated Home Purchase Plan where you will be required to pay rent each month and Acquisition Payments towards the purchase price of the property.

"Investment Services Client Agreement": The agreement that may be entered into between you and the Bank for the provision of investment services.

"Relationship Manager": where applicable, the officer of the Bank allocated to looking after you.

"Regulated Home Purchase Plan" means the regulated home purchase plan products that we offer which is based on the Islamic principles of Ijarah (leasing) and Iqtina (to purchase)

"Rent Only Home Purchase Plan Transaction": this is a type of Regulated Home Purchase Plan where you will only be required to pay rent each month and not any monthly payments towards the purchase price of the property, which must instead be paid in full at the end of the agreed term or earlier.

"Rules": the principles, rules and other mandatory requirements of the Bank's regulators.

"We, us or our": the Bank.

"You or your": the Client for whom Services are provided.

The headings in this document are for convenience of reference only and will not govern the interpretation of the provisions. Unless it would be inconsistent to do so, words and phrases used in this document should be construed so the singular includes the plural and the plural includes the singular.

If a provision in these Terms refers to a communication, notice, agreement or other document "in writing" then, unless the contrary intention appears, it means in legible form in the English language and capable of being reproduced on paper, irrespective of the medium used.

2. Terms and Conditions Applicable to All Services

2.1 Availability of the Services

- (a) Services that you request will be made available by the Bank after you accept these terms by seeking our advice on a home finance transaction or asking us to arrange a Home Purchase Plan Transaction by assisting you with the completion of an Application Form, which will refer to any relevant supplementary documentation required by the Bank. The Bank's advice on and assistance in arranging the submission of an application for a Home Purchase Plan Transaction does not guarantee that the Bank will enter into the transaction, which shall, subject to the overriding requirement to act reasonably at all times, be at the Bank's discretion after carrying out appropriate due diligence enquiries in accordance with the Bank's policies and legal and regulatory requirements. All requests for the Services contemplated by these Terms are also subject to the Bank's acceptance. The Bank will undertake whatever due diligence enquiries it considers necessary to comply with its legal and regulatory responsibilities and may decline to accept any request for all or any part of the Services without explanation. The Bank will not act unreasonably when considering any request for Services but the Bank cannot specify how long its due diligence process may take and will not accept responsibility for any costs or losses incurred by any applicant attributable to the application process for the Services.
- (b) We may cease to provide the Services to you at any time, including:
 - (i) after you submit an Application Form to us in relation to one of our Home Purchase Plan Transactions (as mentioned in 2.1(a) above, the Bank's advice on and assistance in arranging the submission of an application for a Home Purchase Plan Transaction does not guarantee that the Bank will enter into the transaction, which shall, subject to the overriding requirement to act reasonably at all times, be at the Bank's discretion after carrying out appropriate due diligence enquiries in accordance with the Bank's policies and legal and regulatory requirements); and
 - (ii) after we have made an offer to you in relation to one of our Home Purchase Plan Transactions (the Offer Letter that you will be provided with will explain the conditions that you must meet before we will enter into a Home Purchase Plan Transaction with you – if you do not meet these conditions we may decide not to enter into the Home Purchase Plan Transaction with you).

The Application Form and the Offer Letter set out what fees you will be responsible for paying should the Home Purchase Plan Transaction not proceed after these stages. If we withdraw our services before you submit an Application Form to us, you will not be required to pay any fees to us.

The continued availability of any Service will be subject to the Bank's consent, in its sole but reasonable discretion, and to the fulfilment by you of such conditions as the Bank may reasonably require. Upon each request or utilisation of any Service, you confirm that all information we hold about you is accurate and up to date.

- (c) Based on your individual circumstances we will categorise you as a customer for whom the Bank is providing a regulated Service or an unregulated Service. If the Services are regulated we shall categorise you as a Home Purchase Plan Transaction customer for whom all applicable UK regulatory protections are available, unless you are otherwise advised in a Customer Categorisation Notice. Customer Categorisation is necessary for the purposes of determining the Services for which you will be eligible, and if applicable in relation to those Services, the nature of regulatory protections available to you. Such categorisation is separate from any client classification for any other services provided to you by the Bank.
- (d) You may seek our services as an individual or together with others. With joint relationships, and where the Services involve Home Purchase Plan Transactions we will carry out an assessment to determine how the FCA Rules apply to both of you but will then supply our services on the basis of our categorisation of the individual for whom the regulatory protections are the least comprehensive but for whom we have increased flexibility over the nature of the services that can be provided. If this is applicable to you we will provide further details when we issue your Customer Categorisation Notice which will explain how your categorisation under the Rules has been determined and the consequences of that categorisation.

2.2 Contacting Each Other

- (a) We may contact you by post, telephone, fax or other media (which in these Terms includes any form of electronic message) using the latest mail or e-mail address, fax or telephone number you have given us.
- (b) You can contact us in writing at the following address: Kuwait Finance House PLC, 35 Portman Square, London, W1H 6LR. You can contact us by telephone at 00 44 (0)20 7487 6500 and by fax at 00 44 (0)20 7487 6808. You can also contact us by e-mail via the Contact tab on the homepage of the UK section of the KFH Group website (www.uk.kfh.com) or by e-mail to info.kfhplc@kfh.com. These contact details apply to all products and Services mentioned in these Terms unless specified otherwise.
- (c) We may audit, monitor, access, store and maintain records of your communications with us, which include, but are not limited to telephone calls, voicemail messages, faxes and e-mails:
 - (i) to establish the existence of facts relating to of the Services and/or your instructions in particular to ensure that we carry out your instructions accurately;
 - (ii) to monitor whether our IT system and/or communications system is effective and being used legitimately and to determine whether the communications and data retained are relevant to our business;
 - (iii) to detect, investigate and determine the unauthorised use of our IT and/or communications systems;
 - (iv) to help us improve the quality and standards of the Services and any other services provided to you;

- (v) to assist in the detection, investigation and prevention of wrongful acts and crime;
 - (vi) to ascertain compliance with any applicable legal or regulatory requirements and/or obligations.
- (d) All telephone calls concerning the Services must be in the English language unless our representative of the Bank agrees at the time of any conversation to conduct it in another language.

2.3 Acting on your Instructions

- (a) As part of the Application Form, you will provide the Bank with specimen signatures for all of the individuals authorised to act on your behalf with respect to Services you may request. You will ensure that any changes to the list of such individuals, including their removal, are promptly notified to and acknowledged by the Bank. Unless detailed otherwise in these Terms the Bank is authorised but not obliged to act on instructions given:
- (i) on a document bearing your original signature(s); or
 - (ii) by telephone or fax; or
 - (iii) by other electronic means including; (i) the secure messaging facility provided with our MyE-banking internet banking service; (ii) by e-mail via the Contact tab on the Homepage of the UK section of the KFH Group website (www.uk.kfh.com); or (iii) by e-mail to info.kfhplc@kfh.com.
- (b) If you give instructions to us by telephone we can ask you to confirm them in writing.
- (c) Before we act on faxed or emailed instructions we shall always contact you by telephone. We may also contact you by telephone to confirm documents that bear your original signature or any other form of instruction. We shall not act on any such instructions if we are unable to contact you or if we have any doubt as to their authenticity.
- (d) Unless detailed otherwise in these Terms you can only cancel instructions given if we have not already acted upon them. If we are able to cancel your instructions, we may make a charge for doing so in accordance with our Tariff of Charges.
- (e) We can refuse to act on any instruction in any of the following circumstances:
- (i) we have good reason to believe that you did not give us the instruction;
 - (ii) the instruction is not clear or, contains insufficient details; or
 - (iii) we believe that by carrying out the instruction we might break the law or other regulations, codes or duties which apply to us.

We will notify you as soon as reasonably possible of any such refusal, but other than to confirm that we acted in accordance with our legal and regulatory responsibilities we shall not be required to further justify or explain our actions.

- (f) There may be a delay in our supply of the Services while we carry out any necessary due diligence including monitoring or fraud prevention checks. While reasonable grounds must exist before any Services are disrupted, other than our confirmation that we acted in accordance with our legal and regulatory responsibilities, you will not be entitled to an explanation for any delay that may occur.
- (g) We may restrict the scope of instructions we are prepared to accept by the methods set out in Sections 2.3(a) (2) and (3) from time to time. We may vary these restrictions at any time with immediate effect. We will tell you if we cannot act on your instructions.

2.4 Liability and Standard of Care

- (a) The Bank will perform all of the Services requested pursuant to these Terms with due skill, care and diligence and, where applicable to the regulated Service provided, shall afford you the level of protection required by the Rules according to the level of client classification notified to and accepted by you. Nothing in these Terms excludes or restricts any duty or liability which we may have to you under the UK regulatory system. We at all times act properly and reasonably when interpreting and acting in accordance with these Terms. Certain Services offered by the Bank do not fall within the scope of the United Kingdom's regulatory regime and some UK protections are only available to the Bank's Customers who are resident in the United Kingdom. Furthermore certain Rules that require advisers to hold a specified qualification only extend to advice for certain types of advice and do not extend to regulated home purchase plans.
- (b) Subject to any legal or regulatory requirements, we will only be liable to you for any loss or damage suffered by you arising directly from the provision of the Services under or pursuant to these Terms if such loss or damage is due to negligence or wilful misconduct on our part or that of our staff or employees. We will not be liable to you for:
 - (i) loss or damage caused by a third party unless any such person is an associate of the Bank;
 - (ii) any loss caused directly or indirectly by any act, event, omission or accident beyond the reasonable control of the Bank including, but not limited to, acts of God, war, riot, terrorism, civil unrest, compliance with any applicable law, or regulation, accident, natural disaster, or other conditions beyond our control; or
 - (iii) any losses you may incur where these cannot reasonably be foreseen by us.

Nothing in these Terms excludes or restricts any duty or liability which we may have to you under the UK regulatory system.

- (c) If as a result of any rule of law, regulation, or requirement of any competent court of law, governmental or other authority, body or institute, any provision of these Terms becomes invalid or unenforceable, such invalidity or unenforceability shall be limited to such provision and shall not affect the other provisions of these Terms which shall apply and be carried out as if the invalid or unenforceable provision was not contained in these Terms.
- (d) Pursuant to the Rules, the Bank has a conflicts of interest policy which sets out the types of actual or potential conflicts of interest which affect the Bank's business and provides details

of how these are managed. Details of the Bank's conflicts of interest policy are available on request.

2.5 Fees and Charges

- (a) All standard charges and fees applicable to the Services will be explained to you in detail before we incur any expense.
- (b) Our fees are exclusive of stamp duties and similar expenses. You agree to pay the charges and fees referred to in clause 2.5(a) pursuant to these Terms.

2.6 Personal Information and Record Keeping

- (a) We may collect and process personal information about you and any person authorised to act on your behalf or whose information have to be disclosed to us for legal and/or regulatory purposes, in accordance with our *Privacy Policy for Customers*, a copy of which is available on the KFH Group website. This includes personal information that
 - (i) You provide to us by filling in application forms, registering to use the KFH Group website, corresponding with us by phone, fax, email or otherwise and any other dealings with us or any relevant Group company which enable us to provide the Services;
 - (ii) we collect automatically about you when you visit the KFH Group website which includes technical information (such as IP addresses, login information, browser type and version and time zone settings) and information about your visit (including full URL clickstream to, through and from the KFH Group website); and
 - (iii) we receive from any Group company or third party, such as credit reference agencies and parties associated with you in respect of the Services.

If our provision of the Services to you requires you to provide us with personal information relating to others (for example, your family members), in providing us with their personal data you are responsible for ensuring that you have notified them that we will process their personal data in accordance with our *Privacy Policy for Customers* to them as appropriate.

An “association” between the joint applicant and/or any individual identified as your financial partner, will be created at credit reference agencies, which will link your financial records. You and anyone else with whom you have a financial link understand that each other’s information will be taken into account in all future mortgage or credit applications by either of or both of you. This linking will continue until one of you successfully files a “disassociation” with the credit reference agencies.

- (b) We may share your personal data with other members of our Group (some or all of whom are located outside the United Kingdom and EEA). This means your personal data will be processed outside the United Kingdom and EEA. We will always ensure that your personal data is afforded a similar degree of protection as afforded by data protection legislation in the United Kingdom and the EEA.

Except as set out above and as may be strictly necessary for the performance of the Services under these Terms, as set out in these Terms, as required by any applicable law, rule, regulation or requirement of any country, authority, body or institution which applies to us or any Group company, or where we have we will not use or disclose to any third party any information concerning your affairs in relation to you, your Account(s) or the Services or obtained by us in connection with these Terms.

- (c) We will use, analyse and assess your personal information in accordance with our *Privacy Policy for Customers* and particularly, for Home Finance Services, for the following purposes:
- (i) considering any applications made by you and helping us to make credit-related decisions about you;
 - (ii) operating and administering the Services;
 - (iii) financial risk assessment, checks relating to prevention of money laundering, terrorist financing and breach of sanctions, compliance and regulatory reporting and fraud prevention;
 - (iv) to notify you of changes to the Services;
 - (v) where you have given us permission to do so, to contact you from time to time to inform you about products or other services including those offered by other members of the Group that we think might be of interest to you. You may change your mind about such contact, at any time, by notifying us in writing, by notifying your Relationship Manager or, if we have contacted you by email, by clicking unsubscribe in the email we have sent you;
 - (vi) helping us to understand, develop and improve our and other Group companies business, including new and innovative products, services and website; and
 - (vii) to keep the KFH Group website safe and secure.
- (d) We will keep records relating to the provision of the Services in accordance with legal and regulatory requirements. The retention period depends on the nature of the service provided to you. In respect of any home finance contract entered into with us, the retention period will be for at least the duration of such contract. For anti-money laundering purposes we have to retain such records for at least six years beyond the cessation of our business relationship with you.
- (e) You acknowledge that we have a legal obligation to ensure that the information within our records is kept up to date, and so you must tell us within 28 days of any changes to the personal information you have provided us with or if any personal information we hold about you is incorrect.

2.7 Other Notices

- (a) We will ask you questions to determine whether or not any proposed arrangement is regulated or not and to determine your customer categorisation in accordance with FCA rules. For Home Purchase Plan Transactions we will ask further questions, based on your customer categorisation, that are necessary for our advice to be demonstrably suitable and to enable us

to assess in accordance with the Rules applicable to your customer categorisation whether the proposed transaction is affordable. If you become aware that any information given to us is incorrect because of a change of mind or discovery of any error or oversight please notify us as soon as possible because it could affect the nature of the Services that we provide. It is also important that you consider and provide us with information about any future events that could reasonably be relevant to our Services, especially the suitability of our advice and the affordability of the proposed transaction. Also, if we appear to have misunderstood any information please also notify us promptly so that we may reassess our understanding of your needs and circumstances.

- (b) Customers who are identified as requiring a Home Purchase Plan Transaction and who are therefore provided with regulatory protections applicable to their customer categorisation will be given documents with important information specified by the Rules. Such documents may include:
 - (i) a Customer Categorisation Notice, as referred to above;
 - (ii) a European Standardised Information Sheet (often referred to as an ESIS) or Financial Information Statement, depending upon whether the product is a regulated mortgage product or a home purchase plan; and
 - (iii) a 'Regulated Home Finance Advice Suitability Letter' to confirm our advice.

Please read all such documents carefully and ask for an explanation about anything within them that you do not understand or about which you would like additional information or clarification.

- (c) For joint relationships where the Bank is providing the Services to more than one individual, unless you have requested otherwise, you agree that when we send any written communication to you only one copy is required and that this copy will be addressed to all of you and sent to the address you have given to us, or be addressed to the email address you gave us. If you require additional copies of any communications to be sent to you separately at different addresses you can request us to do so at any time by providing us with the details in writing.
- (d) Application Forms and other communications relating to Home Purchase Plan Transactions, in particular, ESIS' and Financial Information Statements contain sensitive personal information and care should be taken to safeguard them. If you dispose of ESIS' and Financial Information Statements or other correspondence from us you should ensure that you do so in a secure manner, for example by use of a cross cut shredder.

2.8 Term of the Agreement

These Terms will apply until you no longer maintain a business relationship with the Bank.

2.9 Changing the terms of the Agreement

- (a) We may change these Terms for reasons including but not limited to changes to our Tariff of Charges, commercial reasons including the addition, withdrawal or changes to our products and services, market conditions, changes in the cost of providing a service to you or to remain compliant with our legal and regulatory obligations.

- (b) We will notify you of any changes to the Terms by sending you a separate written notice.
- (c) Other than in respect of changes made in your favour, or to reflect any legal or regulatory requirement for which notice cannot reasonably be given, we will notify you of all changes at least two months before they occur to give you sufficient time to consider whether you wish to continue with the Services.

2.10 Ending the Agreement

- (a) Unless detailed otherwise in these Terms, you can end the agreement by no longer seeking any advice or by notifying us that we should cease to arrange any Home Purchase Plan Transaction.
- (b) We may cease to advise on or to arrange Home Purchase Plan Transactions immediately and without previous notice if we are required to do so by law, but we will send you written confirmation.

2.11 Governing Law

These Terms shall be governed by and construed in accordance with the laws of England and any disputes arising under these Terms shall be referred to the appropriate English court for adjudication and for that purpose you irrevocably submit to the non-exclusive jurisdiction of the English courts.

2.12 General

- (a) If any provision of these Terms is found to be unenforceable, all remaining provisions will continue in full force and effect.
- (b) These Terms constitute the entire agreement between you and the Bank for the provision of the Services specified in these Terms and replaces any previous or existing agreement you had with us with respect to such subject matter.
- (c) You must notify us immediately if there is a change in the name or address of any of you or of any other change in your circumstances. Unless we agree otherwise, changes of address or name must be confirmed in writing by at least one of the individuals in a joint business relationship. We will attempt to communicate with you only by use of the most recent address or other contact details that you have provided to us.
- (d) We may offer products and services other than those detailed in these Terms subject to separate written agreement. Any applicable charges for those other products and services will be detailed in that separate written agreement or provided to you in an updated Tariff of Charges.
- (e) If we relax any of these Terms for you, this may be just a temporary measure or a special case. We may enforce it strictly again at any time.
- (f) You may not transfer your legal rights under these Terms to anyone else.
- (g) A person who is not a party to these Terms shall have no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any of their terms.

2.13 Complaints

- (a) We are committed to providing a high standard of service to all of our existing and prospective clients.
- (b) If you express any dissatisfaction with the Bank's provision of (or failure to provide) the Services, we will investigate your complaint thoroughly and handle it in a timely, clear, fair and transparent manner.
- (c) If you wish to make a complaint, you may contact us in the way that is most convenient for you:
 - (i) By visiting the Bank's offices at 35 Portman Square, London W1H 6LR and speaking to an appropriate member of staff;
 - (ii) By calling the Bank on +44 (0)20 7487 6500
 - (iii) Monday to Friday (excluding UK Bank Holidays) from 9am to 5pm - UK time
 - (iv) If you are calling the Bank from outside the UK: +44 20 7487 6500
 - (v) Please Note: Calls may be monitored and recorded
 - (vi) By contacting your Relationship Manager
 - (vii) By writing to the Compliance Department at: Kuwait Finance House PLC, 35 Portman Square, London W1H 6LR; or
 - (viii) By emailing the Compliance Department at: uk.compliance@kfh.com.
- (d) If we are unable to resolve your complaint to your satisfaction within 8 weeks after the day it is received, you may have the right to refer it to the Financial Ombudsman Service (**FOS**), provided you are an eligible complainant.
- (e) The FOS can be contacted by any one of the following methods:
 - (i) By post: The Financial Ombudsman Service, Exchange Tower, London E14 9SR;
 - (ii) By telephone: +44 800 023 4567 or +44 300 123 9 123 (+44 20 7964 0500 if calling from abroad) Monday to Friday (8am to 5pm UK time);
 - (iii) By email: **complaint.info@financial-ombudsman.org.uk**; or
 - (iv) website: **www.financial-ombudsman.org.uk**.

2.14 Compensation

- (a) If the Service involves a Home Purchase Plan Transaction you may be eligible for compensation under the Financial Services Compensation Scheme (FSCS). The FSCS is not available to Clients who are assisted to enter into an unregulated home purchase plan and

the FSCS may not extend to any Home Finance Services provided by other Group companies. Please ask your Relationship Manager if you need information concerning the conditions governing compensation and the formalities which must be completed to obtain compensation. The maximum payment under the FSCS rules for a protected home finance mediation claims is £85,000. For further information about the scheme (including the amounts covered and eligibility to claim) please ask your Relationship Manager, ask at or contact our London office, or refer to the FSCS website: www.FSCS.org.uk or call the FSCS on 0800 678 1100 or +44(0)20 7741 4100 if calling from outside the United Kingdom. Please note only compensation related queries should be directed to the FSCS.

- (b) The United Kingdom's Deposit Protection arrangements are summarised in the Bank's General Terms, which may apply to money that we hold on deposit in an Account as defined in the General Terms. Please ask your Relationship Manager if you need further details about deposit protection.

2.15 Conflicts of Interest

- (a) A conflict of interest can arise between the Bank and our clients, or the competing interests of our clients. We seek to avoid conflicts but inevitably some circumstances give rise to conflicts which if they are not managed appropriately could be detrimental to us or our clients. A summary of the Bank's policy for dealing with conflicts of interest is set out below.
- (b) Our policy is to maintain a register of all identified conflicts in order to ensure they are managed effectively. The situations described below, which are not exhaustive, show how a conflict of interest may arise and the steps taken to manage those conflicts:
 - (i) we only make recommendations regarding regulated mortgage contracts and home purchase plans where the Bank acts as the lender or provider of the financing;
 - (ii) we disclose our conflict and the nature of any additional income for other services and will only recommend a transaction that we consider suitable for meeting our client's needs and circumstances;
 - (iii) we may be offered a gift or benefit by a client, enabling us to receive a benefit that we would otherwise have to pay for, or where the client donor may seek a preferential service compared to other clients,;
 - (iv) we have procedures that require all staff to disclose any personal benefit and to obtain prior approval before accepting anything that might constitute an inducement;
 - (v) similarly any benefits from suppliers are disclosable in order to ensure that only those that benefit our clients or which are of modest personal benefit are accepted;
 - (vi) a bonus payable to our Relationship Managers is, in general, linked to their performance and revenues generated annually by their departments, enabling remuneration to be enhanced by successful recommendations;

- (vii) bonus payments are constrained in order to encourage effective service without endangering the suitability of advice;
- (viii) we have access to a client's confidential information that if acted upon for personal gain, or disclosed to another person, could be detrimental to that client;
- (ix) we have policies and procedures to protect client data.

Further information about our conflicts of interest policy and procedures is available on request.

3. Home Finance Services

3.1 Recommending a Suitable Home Purchase Plan Transaction

- (a) For Home Purchase Plan Transactions, we will discuss and assess your needs and circumstances and your current financial situation in order to make a recommendation that is suitable for you. When making any such recommendation we will need to take into consideration any changes to your circumstances that can reasonably be anticipated to assess whether the transaction will remain appropriate for you. It is therefore necessary for us to ask for any updates to the information that we hold before we confirm our advice. In order to show that we have sought all the information we need, and to ensure that we have recorded it correctly, we will ask you to review it and record your agreement to it.
- (b) Your Relationship Manager is a representative of the Bank and acts on our behalf when advising on a Home Purchase Plan Transaction. It may be necessary for advice to be given to you by another member of our staff, depending on whether you are contemplating a regulated home purchase plan; and due to the nature of the FCA Rules, whether you are resident in the United Kingdom or a European Economic Area State when advice is given.
- (c) When we make a recommendation to enter into a particular Regulated Purchase Plan Transaction, or we consider that none of the Home Purchase Plans offered by the Bank is suitable for your needs, you will receive a written Regulated Home Finance Advice Suitability Letter. This will:
 - (i) specify your current and anticipated needs and circumstances by referring to the information we obtained from you, and whether or not you have placed any restrictions on the type of home purchase plan that you wish to utilise;
 - (ii) explain why your adviser concluded that the recommendation is suitable for you, having regard to the information you provided;
 - (iii) state if you decided not to provide all the information that your Relationship Manager requested in order to be satisfied that their recommendation is suitable;
 - (iv) refer to the terms of the product that we recommend, which will have already been given to you;
 - (v) refer to key risks of the transaction so that you understand the consequences of proceeding with it; and

- (vi) include the relevant Application Form or confirm that these have already been received by us for processing.
- (d) Although the Bank may give you home purchase plan advice and confirm in a Suitability Letter when a Rent Only Home Purchase Plan Transaction is considered suitable for your specific circumstances, the mortgage adviser, whose role may include giving investment advice, will not identify and recommend a particular strategy or approve a proposed payment strategy. As part of the Bank's assessment as to whether it will offer to enter into Rent Only Home Purchase Plan Transaction it will consider, as part of its responsibility to provide Shariah compliant finance responsibly, whether it considers the strategy to be credible for the purposes of enabling you to pay the home finance; but the Bank will not assess whether that payment strategy is suitable for your particular circumstances.
- (e) Our Regulated Home Finance Advice Suitability Letter and all product literature either sent with it or provided earlier will be written in the English language. It is important that you read the letter and all other documents given to you and that you ask your Relationship Manager or other adviser acting for you any questions you have before acting on any recommendation.

3.2 Arranging a Home Purchase Plan Transaction

- (a) If you received information about any of our Home Purchase Plan Transaction and select one without entering into any dialogue about it, or taking our advice or acting on our recommendation or any other form of direct or indirect encouragement or steering to enter into that particular transaction, we will assist you to submit an application to enter into the transaction on an 'Execution-Only' basis.
- (b) We will also assist you to submit an application to enter into any Home Purchase Plan Transaction with the Bank that we recommend to you.
- (c) If you receive our advice and propose to reject it and to proceed with an application that we consider potentially unsuitable for you, before the Bank will accept any such application it must be accompanied by a separate acceptance by you that you have made a positive, voluntary and informed decision and that you fully understand the nature of the regulatory protections relating to the Rules on our assessing suitability that you will not benefit from.
- (d) Requests to arrange Home Purchase Plan Transactions must normally be made by completing an appropriate Application Form and providing the Bank with all supporting documentation specified in that form. The Application Form will provide details of the terms applicable to the Bank's acceptance of that particular application including the related fees, charges and other costs. Prior to that stage the Bank will not charge for its advice or administration in arranging a transaction. We may also need to ask for further documentation to be signed.
- (e) There is no certainty that any advised or execution-only Home Purchase Plan Transaction application will be successful. The Bank after carrying out due diligence enquiries may decide to offer less financing than you applied for; and in some cases may decide not to enter into any arrangement with you. Under either circumstances the Bank will not reimburse the valuation fee or other charges that are payable to the Bank when an Application Form is submitted.

- (f) The Bank may refuse to comply with any Home Purchase Plan Transaction instruction received if in our reasonably held opinion such instruction may contravene any law, rule, regulation or requirement of any country, authority, body or institute or to comply with our regulatory obligations. We will notify you as soon as reasonably possible of any such refusal but shall not be required to explain or justify our opinion.