

Restricted Mudaraba Investment Account

It is important that you complete this application form in full to enable us to offer you a restricted mudaraba account. Please ensure that all applicants sign the application. Please use black ink and BLOCK capitals. If you are making a joint application, please complete the "Second Applicant" section.

DEFINITION USED IN THIS APPLICATION

In this application form, we refer in several places to the conditions and the financial terms. An explanation of the conditions can be found set out in Part A of the Information Package. The financial terms are attached to this application form. (See page 3)

SECTION A - PERSONAL DETAILS

Main applicant's details - to be completed in all cases

Name	A/C No.
CPR/CR No.	RIM No.
Nationality	Date of Birth
Religion	Gender
Trade License	Org. Type

Mailing Address

Permanent Address

Mobile	Home Phone
Fax	Business Phone
E-mail	

Second applicant's details (for joint applicants)

Name	A/C No.
CPR/CR No.	RIM No.
Nationality	Date of Birth
Religion	Gender
Trade License	Org. Type

Mailing Address

Permanent Address

Mobile	Home Phone
Fax	Business Phone
E-mail	

SUBSCRIPTION REQUEST

Subscription Amount _____

Participation Term _____

Portfolio _____

Method of Payment { } Cheque _____ { } Direct Debit from A/C No. _____

SECTION B - FOR JOINT ACCOUNT ONLY

The following conditions apply if you are applying for the restricted mudaraba account in joint names:

1. All of the conditions will apply to all of you, jointly and severally. This means that all of you will be responsible for the restricted mudaraba account individually as well as together.
2. Because you operate your restricted mudaraba account jointly we may disclose any information that one of you gives to us in connection with your restricted mudaraba account to the other.
3. A joint restricted mudaraba account can be operated by any one of you independently of the other or by joint signature depending on the mandate you gave us when you opened the restricted mudaraba account. If you have given a single signature mandate, this means that any account holder may give banking instructions. The actions taken and/or instructions given to us by any one of you will be binding on the other account holder or holders without us having to make any further enquiries.
4. We will accept such authority until it is cancelled by any one of you or by law. If any one of you tells us about a dispute between any one of you, we may decide to treat this as notice of cancellation of your restricted mudaraba account.
5. If one account holder dies we will need you to provide us with a certified copy of the death certificate. If the heirs of the deceased account holder fail to agree to continue the restricted mudaraba account, then it will be deemed as cancellation of your restricted mudaraba account.

ACCOUNT DETAILS FOR PAYMENT OF YOUR SHARE OF PROFIT

Account No: Current Savings VIP Savings
 Other: _____

ACCOUNT DETAILS FOR PAYMENT OF YOUR SHARE OF CAPITAL

Account No: Current Savings VIP Savings
 Other: _____

DECLARATION & SIGNATURE

Before the Bank is able to open a restricted mudaraba account for the Certificate holder, the Bank will need to ask you for proof of your identity and address. For further details on the identification requirements please ask one of our branch staff. Before the Certificate holder can operate a restricted mudaraba account with us the Bank may need to meet the Certificate holder in person to complete the necessary formalities.

The Bank will only open the restricted mudaraba account once we have received a duly completed application form (together with any other forms and information that the Bank may have requested) from the Certificate holder and carried out any checks that the Bank consider appropriate. The Bank reserve the right to decline opening the restricted mudaraba account in its sole discretion and if the Bank refuse to open a restricted mudaraba account, the Bank is not obliged to explain our reasons for such refusal. If you are an individual and you wish to open a restricted mudaraba account, then you must be at least 21 years of age. If you are applying on behalf of a minor as their legal guardian then you must apply in your own name and not theirs. We will consider you to be our customer and not the minor child.

1. By applying in joint names you both agree to the terms set out in Section B of this application form and declare that you are entitled to provide information about your joint applicant.
2. I/We request you to open a restricted mudaraba account in my/our name(s). The restricted mudaraba account will be governed by the information package and the terms set out in this application form (including the financial terms), copies of which you should have received. You should not sign this application form until you have received copies of all the terms and have read them carefully. If you are opening a joint restricted mudaraba account, we will accept the signature of either of you to operate the account.
3. Please do not sign this form until you have read all the terms and satisfied yourself that the level of risk described in the information package is a suitable level of risk for you to bear, having taken independent advice from a lawyer or accountant if you are in any doubt about agreeing to the terms.

I/We confirm that I/We are acting on our behalf.

I/We confirm that the information given in this application form is accurate and true to the best of my/our knowledge.

FIRST APPLICANT'S SIGNATURE

SECOND APPLICANT'S SIGNATURE

Date:

Date:

APPROVED BY KFH

Kuwait Finance House Bahrain BSC (c)
Bahrain World Trade Center, West Tower
P.O. Box 2066, Manama, Kingdom of Bahrain

For more information, please call:
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www.kfh.bh

Licensed as an Islamic Retail Bank by the Central Bank of Bahrain

Restricted Mudaraba Investment Account

Portfolio / Investment	General 41
Form of Offering	Restricted Investment Mudaraba Certificates
Offering Currency	Bahraini Dinars (BD)
Underlying Investment	International Commodity Murabaha financing for Corporate (Real Estate) entities within KFH portfolio
Subscription Limits*	<p>Individuals: Minimum amount BD 100,000; Additional amounts in multiples of BD 5,000</p> <p>Institutions: Minimum amount BD 100,000; Additional amounts in multiples of BD 10,000</p> <p>Subject to a maximum limit of BD 6,000,000 per individual investor and BD 8,000,000 per institutional investor</p> <p><i>Above amounts are subject to change at the sole discretion of KFH - Bahrain</i></p>
Investment Term	1 Year
Expected Profit Rate	5.5% p.a.
Distribution Mechanism	<p>Bullet repayment of principal at maturity</p> <p>Quarterly payments of profits after the Closing Date</p> <p><i>Subject to receipts from the underlying investment</i></p>
Early Settlement Profit	As applicable under the underlying transaction documents
Security	As applicable under the underlying transaction documents
Return During Interim Period	As per KFH (Bahrain) VIP savings account, to be determined by KFH - Bahrain

* Subject to change at the sole discretion of KFH

Restricted Mudaraba Investment Account

Portfolio / Investment	General 41	
Code		
Form of Offering	Restricted Investment Mudaraba Certificates	
Offering Currency	Bahraini Dinars (BD)	
Underlying Investment	International Commodity Murabaha financing for Corporate (Real Estate) entities within KFH portfolio	
Subscription Limits	<p>Individuals: Minimum amount BD 100,000; Additional amounts in multiples of BD 5,000</p> <p>Institutions: Minimum amount BD 100,000; Additional amounts in multiples of BD 10,000</p> <p>Subject to a maximum limit of BD 6,000,000 per individual investor and BD 8,000,000 per institutional investor</p> <p><i>Above amounts are subject to change at the sole discretion of KFH - Bahrain</i></p>	
Investment Term	1 Year	
Profit Sharing Ratio	Investor	78.6%
	Mudarib	21.4%
Distribution Mechanism	<p>Bullet repayment of principal at maturity</p> <p>Quarterly payments of profits after the Closing Date</p> <p><i>Subject to receipts from the underlying investment</i></p>	
Early Settlement Profit	As applicable under the underlying transaction documents	
Security	As applicable under the underlying transaction documents	
Return During Interim Period	As per the KFH (Bahrain) VIP savings account, to be determined by KFH - Bahrain	

I / We confirm that I / We have read and understood the terms of the restricted investment account and the Risk Summary and agree and understand the risks assumed. I / We have had an opportunity to seek legal advice before signing up to the restricted investment account.

FIRST APPLICANT'S SIGNATURE

SECOND APPLICANT'S SIGNATURE

Date:

Date:

APPROVED BY KFH

Restricted Mudaraba Investment Account

Portfolio / Investment	General 42
Form of Offering	Restricted Investment Mudaraba Certificates
Offering Currency	Bahraini Dinars (BD)
Underlying Investment	International Commodity Murabaha financing for Corporate (Real Estate) entities within KFH portfolio
Subscription Limits	<p>Individuals: Minimum amount BD 100,000; Additional amounts in multiples of BD 5,000</p> <p>Institutions: Minimum amount BD 100,000; Additional amounts in multiples of BD 10,000</p> <p>Subject to a maximum limit of BD 6,000,000 per individual investor and BD 8,000,000 per institutional investor</p> <p><i>Above amounts are subject to change at the sole discretion of KFH - Bahrain</i></p>
Investment Term	2 Years
Expected Profit Rate	6.0% p.a.
Distribution Mechanism	<p>Bullet repayment of principal at maturity</p> <p>Quarterly payments of profits after the Closing Date</p> <p><i>Subject to receipts from the underlying investment</i></p>
Early Settlement Profit	As applicable under the underlying transaction documents
Security	As applicable under the underlying transaction documents
Return During Interim Period	As per the KFH (Bahrain) VIP savings account, to be determined by KFH - Bahrain

Restricted Mudaraba Investment Account

Portfolio / Investment	General 42	
Code		
Form of Offering	Restricted Investment Mudaraba Certificates	
Offering Currency	Bahraini Dinars (BD)	
Underlying Investment	International Commodity Murabaha financing for Corporate (Real Estate) entities within KFH portfolio	
Subscription Limits	<p>Individuals: Minimum amount BD 100,000; Additional amounts in multiples of BD 5,000</p> <p>Institutions: Minimum amount BD 100,000; Additional amounts in multiples of BD 10,000</p> <p>Subject to a maximum limit of BD 6,000,000 per individual investor and BD 8,000,000 per institutional investor</p> <p><i>Above amounts are subject to change at the sole discretion of KFH - Bahrain</i></p>	
Investment Term	2 Years	
Profit Sharing Ratio	Investor	85.7%
	Mudarib	14.3%
Distribution Mechanism	<p>Bullet repayment of principal at maturity</p> <p>Quarterly payments of profits after the Closing Date</p> <p><i>Subject to receipts from the underlying investment</i></p>	
Early Settlement Profit	As applicable under the underlying transaction documents	
Security	As applicable under the underlying transaction documents	
Return During Interim Period	As per the KFH (Bahrain) VIP savings account, to be determined by KFH - Bahrain	

I / We confirm that I / We have read and understood the terms of the restricted investment account and the Summary and agree and understand the risks assumed. I / We have had an opportunity to seek legal advice before signing up to the restricted investment account.

FIRST APPLICANT'S SIGNATURE

SECOND APPLICANT'S SIGNATURE

Date:

Date:

APPROVED BY KFH

Restricted Mudaraba Investment Account

Participation Risk

The participation in this Restricted Mudaraba Account involves certain risks inherent in any financing transaction associated with Corporate (Real Estate) entities mainly representing the ability and intention of the corporate entity to fulfill its obligations under the transaction documents.

Investments in this Restricted Mudaraba Account will be used to finance Corporate (Real Estate) entities and transactions, and will be subject to the following key risks which could affect substantially and adversely the Corporate (Real Estate) entities ability to repay their financial commitments. Thus, there is no assurance that the transactions associated with Corporate (Real Estate) entities will be able to generate sufficient returns to meet the financial commitments of those entities.

Investment Risks

- Changes in the market, business, and economic conditions, including, for example, interest rates, foreign exchange rates, inflation rates, competition, political events and trends, tax laws, and innumerable other factors can affect substantially and adversely the Corporate (Real Estate) entities.
- Competition in the local residential and commercial real estate sector is intensifying and is expected to increase as other developers seek to capitalize on the growing market demand.
- Property values can change, as they are reliant on such factors as political developments, interest rate levels, inflation, wage rates, levels of employment, the availability of credit, and government regulations and changes in planning laws or policies or tax laws.
- Construction costs related to projects undertaken by the Corporate (Real Estate) entities may increase after the actual work is undertaken due to factors outside their control, such as rising costs of construction materials and labor.
- The sales and/or realization of sale proceeds could be slower than expected due to adverse economic conditions or lack of demand in the underlying projects as a whole.
- On-time completion of construction and development projects is subject to government approval and is dependent upon the performance of

contractors, both of which are factors outside the control of the Corporate (Real Estate) entities.

- Real estate investments are generally illiquid, and as such the Corporate (Real Estate) entities ability to promptly sell one or more of the properties in response to changing economic, financial, and investment conditions is limited.

Default Risk

If there is a default by the corporate entity under this transaction document, both the capital and share of profit may be affected and the payments to be made under the conditions will be varied accordingly.

KFH will not indemnify for any loss to capital nor guarantee any profit of return. KFH is released from any liability in respect of any such loss save for any loss that arises as a direct consequence of willful misconduct or gross negligence. Should the investor suffer a loss to capital due to fraud, willful misconduct, or gross negligence committed by KFH, then KFH shall make good to the investor any such loss to capital.

I/We confirm that we read and understood the risks involved in investing in the Restricted Investment Account

FIRST APPLICANT'S SIGNATURE

SECOND APPLICANT'S SIGNATURE

PORTFOLIO

Date: _____