

Forms

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Appendices

FORM '1'

**FORM OF THE AGREEMENT TO BE SUBMITTED BY THE
PRINCIPAL / HEAD OFFICE OF THE ISLAMIC BANK
(TO BE STAMPED AS AN AGREEMENT IN ACCORDANCE
WITH THE LAW IN FORCE IN EACH PROVINCE**

_____(Place)
_____(Date)

To The Chief Manager,
State Bank of Pakistan
BSC (Bank),

(name of the office of SBP BSC (Bank))

Dear Sir,

WHEREAS, at our request the State Bank of Pakistan (the "SBP") has agreed to make available to us, under Section 17 (6B) of SBP Act 1956, Islamic Export Refinance Scheme for Financing Exports by Islamic banks, pursuant to its BPD circular no ____ dated _____ as may be amended from time to time (the Scheme) on the basis of participation in the profit and loss of the Musharaka Pool (referred to hereinafter as the Pool) of our financing business which comprising our customers availing of export finance as also for other purposes under Islamic modes of financing as approved by our Shariah Board (referred to hereinafter as Board),

AND WHEREAS, the composition of the Pool prescribed from time to time shall be as stated in the Annexure to this Agreement attached as per Appendix '1' hereto

NOW THEREFORE WE AGREE AS FOLLOWS:

In consideration of your agreeing at our request, to make available to us refinance under its Scheme for Financing Exports by Islamic banks (the Scheme), at your discretion from time to time under Section 17(6-B) of the State Bank of Pakistan Act, 1956, not exceeding the sum of Rs. _____ for which amount we have delivered to you a demand promissory note in your favour, we agree as follows:

1. SBP will allow us a maximum limit of Rs. _____ for a maximum period of one year renewable at the option of the SBP. We will draw funds from this limit to refinance the export finance facilities extended by us from time to time to exporters as per modes approved by our Board for the purpose. Similarly we will provide financing facilities up to the utilized limit of SBP in the Pool.
2. Where export finance is obtained from the SBP, the SBP shall participate in the profit and loss of our Pool in such ratios as would allow a return as near as possible to the return required by the SBP from time to time. under Export Finance Scheme circulated by SBP vide BSD Circular No.35 dated 28th September 2001 as amended from time to time (hereinafter referred to as the Export Finance Scheme).

3. On each of the payment date(s) of the amounts outstanding by us to the SBP under the scheme, we shall make payment to the SBP of the due amount along with the profit of the Pool in accordance with applicable rate of return under the scheme. The payment(s) shall be subject to any adjustments which may be required to be made after the declaration of the actual profit or loss, if any accruing in respect of the Pool as laid out in annual audited accounts of the pool.
4. The State Bank will share in the overall profits (gross income less any provision there-against created under Prudential Regulations during the period plus amount recovered against prior period losses and reversal of provision there-against) earned by us on the Musharaka pool under the provisions of the Scheme calculated on daily product basis.
5. I/We will make provisional payment of the State Bank's share in the profit of the pool as per the last month's declared rate on outstanding balance of Musharaka pool. The profit weightage will be fixed at the beginning of each month, keeping in view the ongoing rates announced by the SBP under Export Finance Scheme. At the end of each quarter the profitability from the Musharaka pool shall be determined on the basis of the un-audited accounts of the pool. The profit so worked out shall then be distributed between us and the State Bank according to the weightage of the funds contributed by both for financing the pool. The profit so calculated on quarterly basis shall be paid by us upto the 7th of the month following the quarter to which it relates.
6. If on the basis of our annual audited accounts, the profit accruing to the SBP is more than the profit paid to the SBP on quarterly basis as per the unaudited accounts of the earnings of the pool, the difference shall be deposited by us within 7 days of its determination, in a special non remunerative reserve fund viz. "Takaful Fund" to be maintained at the office of the SBP BSC (Bank), where our Head Office/country office is situated. This arrangement shall remain effective for all intents and purposes during the currency of the agreement.
7. If on the basis of the annual audited accounts of the pool, the share of the State Bank in the profit works out to be less than the amount, which has already been paid to the State Bank on provisional basis, the State Bank will refund the excess amount involved out of balance held in the Takaful Fund, if any.
8. In the event of loss suffered on the Musharaka pool on the basis of annual audited accounts, I/WE and the State Bank shall share the loss in the proportion of their share of investment in the Musharaka Pool expressed on daily product basis. The share of loss to State Bank will first be met out of credit balance in the Takaful Fund, if any. The loss not met from the Takaful Fund shall be borne by the State Bank.
9. In case of loss, I/We shall be entitled to claim refund on account of share of profit paid by us to SBP on provisional basis, alongwith SBP's share in the loss of principal amount extended to the Musharaka pool.

10. I/We shall be under obligation for a special audit of the affairs of the Pool by our external auditors, certifying that the terms and condition of this scheme have been adhered to in totality and that the annualized earning of the pool has been worked out correctly.
11. As security for the said financing on each occasion on which I/We intend to avail Export Refinance against finance extended by us, I/We shall deliver to you demand promissory notes in the form attached hereto as Appendix '2' acceptable to you and drawn on and payable in Pakistan based on bonafide finances provided by us to exporters on the basis of any one of the Islamic modes of financing approved by our Board, and it being understood that the aforesaid accommodation will be made and continued on the faith of the truth and correctness of such certificates.
12. I/We undertake that we shall not extend finance to any exporter under the terms of this agreement unless we are satisfied that all parties liable thereon are financially sound, solvent and credit-worthy.
13. I / We undertake that I/We shall at all times execute or maintain separate legal documentation and records including export order / letters of credit / standardized purchase order / inland letters of credit and further security documents, notes, indemnity bonds, agreements etc., including the assignment deed of securities now held by us or which may be obtained by us from our customers subsequently, as are adequate to safeguard our interest against the finances for which this agreement has been executed. I/We also agree and undertake to keep all such documents in trust for a reasonable period as per provisions of the Scheme. I / We further agree that you or any official authorized by you shall have the right of inspection of our records and documents for which Export Refinance has been obtained by us and that you shall have the right to seek and obtain full assistance and cooperation from us for discharging your duties and performing your functions.
14. The profit to be earned by us from the exporters expressed in annual percentage shall not exceed the rate prescribed under the Scheme, which profit shall be shared by us with you in the manner laid down in the Scheme.
15. Without prejudice to your right to obtain repayment of the amount of Export Refinance outstanding at any time on demand, we undertake that the Export Refinance taken by us on each occasion will be paid by us in the manner and within the maximum period prescribed under the Scheme. In case the exporter repays the finance earlier than the said period we shall be bound to repay to you the amount of Export Refinance so repaid by the exporter within a period of 3 working days of the date on which the exporter repays the finance to us.
16. I / We agree, if you so desire, to take at our expense, all steps as may be necessary to realize the financing from our customers and forthwith pay the same to you to the extent we are required to pay our obligation in the the manner specified in this Form and pending such payments shall hold the same for and on your behalf.

17. I / We agree that the fact of your not taking steps to enforce payment of such demand promissory notes or any of them against the signatory or signatories thereon shall in no way release us from liability thereon and we further agree that it shall be unnecessary for you to give any notice of dishonour.
18. I / We shall observe the guidelines of the State Bank including those laid down under the Prudential Regulations of the State Bank in respect of the classification and provisioning of the assets comprised in the Musharaka Pool from the income generated by the Musharaka Pool.
19. I / We agree that in case of default of repayment by us against the demand promissory note executed by us or if demanded by you under the relevant clause (s) of this Form, you have our authority not only to debit our accounts now held or which may be held hereafter with you for the amount due by us against any or all of such demand promissory notes executed by us without further reference to us but also to adjust or set off such amount against any amount which may be due from you to us or come into your possession and that we undertake not to question the correctness or propriety of such debits or set off on any ground whatsoever. Provided that such debit, adjustment or setoff by the SBP shall be on a provisional basis and shall be subject to adjustment for actual profit or loss accruing in respect of the Pool as may be disclosed by our annual/ semi annual accounts as contemplated by this Agreement.
20. I / We undertake to advise you promptly of any change in the position of any exporter provided with finance by us under the Scheme where against Export Refinance has been obtained from you, which can reasonably be considered to affect the security of the demand promissory note hereunder.
21. I / We agree that under this Agreement, the demand promissory note executed by us for Rs. _____ (notice of dishonour of which promissory note is merely waived under Section 98 of Negotiable Instrument Act, 1881), and tendered by us in terms of this Form, and the securities / security documents prescribed under the Scheme/ in this Form shall operate as a continuing security for the said Export Refinance to the extent that any amounts are outstanding by us to you under the Export Finance granted and all costs, under law notwithstanding the existence of a credit balance at any time or any partial payments or fluctuations in accounts or withdrawal of any part of the security.
22. I / We undertake that we shall take all reasonable steps to ensure that the Export refinance availed of is utilized for the purposes laid down in the Scheme and all the necessary documentation is made available to us. If the exporter provided with finance by us under the Scheme fails to utilize the finance exclusively for the purposes prescribed or effect the supplies within the period prescribed under the Scheme, we undertake to recover from him within 15 days following the date of his failure to utilize the finance exclusively for the purpose, alongwith fines at the rates as may be prescribed by the State Bank from time to time. The fine so recovered will be passed on by us to the State Bank not later than three working days after the date of recovery. If we fail to pass on the fine as aforesaid you shall have the right to, (a) adjust or set off the same against any amount due

to us from you, or (b) debit our accounts now held or which may be held thereafter with you.

23. Any demand to be made by you under the agreement shall be sufficiently made if it is made in writing and addressed and sent by post or otherwise to our Head Office or our branch tendering the document prescribed under this Form.
24. We agree to obtain an undertaking from the exporter concerned that the finances provided by us to them, shall be exclusively used by them for financing exports or supplies of inputs and that they would promptly furnish, at their expense, such information, in such form and at such time as we may demand from time to time.
25. I / We expressly understand that you are entitled to cancel this refinance limit or to recall the refinances at any time for any reason whatsoever or howsoever, without any prior notice to us and that you are entitled not to make any refinances anytime under the aforesaid Scheme and that we have acquired no right or claim for demanding refinance from you by grant of the said limit under the Scheme or by the execution of a demand promissory note in your favour or by deposit of demand promissory note in your favour or by making finances available to any customer on the faith of this agreement.
26. I / We agree that all income received by us under the Musharaka Pool shall be applied by us in deriving the profit/return to the SBP on the basis of participation in profit and loss from the portfolio of the Pool and till so applied, shall be held by us for and on your behalf.
27. I / We agree that notwithstanding anything contained elsewhere in this agreement the amount of this Export Refinance will become due and payable by us, if we commit breach of any of the terms and conditions of this agreement. We agree that you have our authority to decide whether we have committed breach of any of the terms and conditions of this agreement and that we shall not question such decision on any ground whatsoever.
28. I / We agree to hold the securities / security documents now held or which may be held by us as security for export finance given to the exporter / supplier as trust for you so long as any refinance in respect of these facilities remain outstanding from us and by way of security for due repayment thereof and we undertake to deal with the same as you may direct. We further agree that if and when we realize these securities or any part of it we shall pay over to you all such realizations, to the extent required to pay our obligation and pending such payment, shall hold the same for and on your behalf. We further agree to assign / transfer to you, at your demand and at our expense, all such securities and security documents in your favour. We agree that despite such assignment / transfer the provision of clause 14, 15 and 16 shall mutates mutandis apply.
29. Save as is otherwise provided in this agreement such contents of the IERS attached to your letter No. BPD/PU-40/(7380)/936(IERS)/2002-4719 dated 12th September 2002 as modified from time to time which are relevant to this Agreement, as also relevant sanction letter of PLS limit(s) sanctioned under IERS, shall be deemed to have been incorporated in this agreement.

30. I / We undertake to be responsible for any loss incurred to SBP under this transaction, if the said loss is subsequently proved to have been caused on account of negligence/ misstatement and/or misrepresentation if any of our official or in violation of the spirit of this Scheme.

Yours faithfully,

For and on behalf of
(Signature)

(Name)
(Designation)

Encls.

Appendix '1'
Portfolio of Financing Business
Appendix '2'

(Name of Islamic Bank)
(Signature)

(Name)
(Designation)

FORM “ 2 “

**Application Form to be submitted by the Islamic Bank for
claiming financing from SBP for the Musharaka pool
under the Refinance Scheme for financing Exports by
Islamic Bank**

To,
The State Bank of Pakistan,

Dear Sir,

In terms of the agreement executed by us with you on ----- (Date) we hereby apply to you for refinance to the extent of Rs. _____ against finances provided by us to -----
---(name of the Direct/ Indirect Exporter) by way of export finance as per details given as under :-

1.	Name of Branch	
2.	Name of Exporter	
3.	Address of Exporter	
4.	Particulars of Exporter:- i) Type of Exporter ii) NTN Number iii) Export Regn. No. iv) Whether first time exporter – Yes / No	Direct Exporter / Indirect Exporter ~ ~ strike out which ever is inapplicable
5.	Nature of Business	Manufacturing / Semi Manufacturing / Trading*
6.	Finance provided against	Export Order/ Contract/ Letter of Credit/ Inland letter of credit/ Standardized purchase order*
7.	Particular as to amount of Export order/ Contract/ Letter of Credit/ Inland letter of credit/ Standardized purchase order:- i) Name of Buyer ii) No. iii) Date iv) Currency v) Amount in foreign currency(if applicable) vi) Exchange Rate vii) Amount in Pak Rs.	

8.	Particulars as to inputs of Export Order / Contract /Letter of credit/Inland letter of credit/Standardized purchase order:- i) Domestic inputs ii) Foreign inputs (FC) iii) Value addition iv) Total amount	
9.	Amount of Finance granted	
10.	Date of Finance	
11.	Commodity to be Exported / supplied (HS Code)	
12.	1) Date of Shipment 2) E-Form Number 3) Invoice Value 4) Due date of realization of Export Bill(s)	
-2-		
13.	Destination	
14.	In case financing has been extended to an Indirect Exporter: i) Direct exporters name ii) Firm export order /contract/Letter of credit iii) Date iv) Commodity	
15.	Due date of shipment/supply	
16.	Due date of repayment of finance	
17.	Amount of finance already availed by the exporter against the Export Order / Contract / Letter of credit mentioned in column 9 above	
18.	Amount of refinance requested from SBP.	
19.	--Amount of overdue bills --Reasons for allowing IERS despite overdue bills	

As provided in the said Agreement we enclose demand promissory notes for Rs (in figures) (Rupees -----only, duly executed by us in your favor in respect of the finances sanctioned and disbursed by us to (name of the Direct/ Indirect Exporter)

We hereby certify that we have obtained all the necessary documents in original as required under the Scheme and undertake to retain the same as per provisions of the Scheme and further that these have been checked and found in order and duly stamped. .

We also authorize SBP to recover the amount of refinance along with fine, if any, in case the amount is not repaid by us on due date as specified above.

Authorized Signature of Bank
(Name & Designation)

Authorised Signature of Bank
(Name & Designation)

**APPLICATION / UNDERTAKING FOR FINANCE
(FOR PRE- SHIPMENT UNDER PART I
TO BE SUBMITTED BY THE DIRECT EXPORTER)**

(To be executed on non-judicial stamp paper)

The Manager,

_____ Bank Limited,
_____ Branch,
_____ (CITY)

Dear Sir,

1. I/We, the Direct exporters do hereby certify and confirm that a finance of Rs. _____ (Rupees _____ only) has been allowed to me/us by you under Part-I of the Islamic Export Refinance Scheme for Financing Exports by Islamic Banks of the State Bank of Pakistan circulated vide BPD Circular No. _____ dated _____ read with amendments made therein from time to time, on the basis of the following Islamic Modes of financing, it being understood that return / profit to be derived by the bank shall not exceed _____% when converted into annual percentage terms :-

ISLAMIC MODE OF FINANCE _____

2. I/We, further confirm and undertake that the aforesaid finance will be obtained by Me/us for export of an eligible commodity hereunder against valid firm export order/contract/letter of credit* in my/our possession.
3. I/We, further confirm and undertake that the aforesaid amount of finance that will be availed by me/us shall be utilized exclusively to meet the cost / expenses of export of eligible commodities against firm export order/contract/letter of credit, particulars of which are given as under :-

Commodity of Exports with H.S. Code No.	Country of export	Amount of firm export order/contract/letter of credit					Expected shipment date
		No.	Date	Amount in Fcy	Value Date	Amount in equivalent Pak Rupee	
1.	2.	3.	4.	5.	6.	7.	8

4. I/We, do certify that the finance is being obtained by Me/Us against bonafide transaction and I/We submit the following documents alongwith this application for your consideration of extension of finance facility to us from your bank under the Export Finance Scheme: -
- a. Firm Export Order/ Contract/ Letter of Credit
 - b. DP Note (as per Appendix 3) duly executed in your favor

5. I/We, certify and confirm that I/We have not obtained any finance against the above mentioned firm export order / contract / letter of credit / Inland letter of Credit / Standardized Purchase Order from any other Bank under this Scheme or the conventional Export Finance Scheme, except as under.

Amount of FEO/Contract/L/c	_____
Less: Amount of facility already taken	_____
Balance Amount	_____
Amount of facility now being obtained	_____

6. I/We, do, hereby further undertake to submit the following documents for negotiation/ collection against the firm export order/contract/letter of credit under which pre-shipment finance has been allowed to Me/Us :-

1. Bill of Lading / Airway Bill
2. Invoice
3. Original duplicate copy of Form 'E'

7. I/We, hereby confirm and agree that in the event of My/Our failure to effect shipment on or before 180 days and/or failure to submit the above mentioned documents to you within 30 days of the expiry date of finance, you have our Irrevocable Authority to recover from Me/Us and debit My/Our Account No. _____ maintained with you along with fine for non shipment, at rates prescribed by the State Bank of Pakistan from time to time on the amount of finance availed less the amount repaid as a result of part shipment, if any, from the date of original finance. I/We, authorize the bank to reimburse itself with the fine amount even if we have made a representation to SBP against imposition of fine under the Scheme.

8. I/We, do hereby further confirm and undertake that the documents in respect of the aforesaid Firm Order or Contract / L/C will be realized / negotiated by Me/Us through your Branch / Bank and proceed thereof will be appropriated immediately on realization / negotiation towards the aforesaid finance allowed by you to Me/Us.

9. I/We, do hereby further undertake that I/We shall not claim refinance against any amount of advance payment received from the buyer and that in case any such advance payment is received under the said firm export order/contract or letter of credit, if any, the same shall be surrendered to the bank towards repayment to SBP within three working days failing which I/We shall be liable to pay the fine for late repayment at the rate prescribed by SBP from time to time on the amount and the period involved.

10. I/We, do hereby confirm that where an Inland Letter of Credit (ILC/Standardized Purchase Order (SPO))* has been established/opened or will be opened it is understood that I/We in my/our capacity as Direct Exporter shall remain liable for fulfilment of all the obligations under the said Scheme. I/We further certify that where supplies of inputs/finished goods made under the SPO/ILC are required these shall be used for the manufacture and export of only such commodity which are duly eligible for financing under the Scheme. I/We further confirm and undertake that in case of establishment of ILC or opening of SPO by Me/Us

during the currency of the finance, the amount shall be allowed by Me/Us to be utilized by the Indirect Exporter to the extent of the amount and the period involved.

11. I/We further confirm and undertake that in case if the finance is repaid by Me/Us earlier than the due date, I/We, shall continue to be liable to submit to you the relevant proof of shipment of the goods for which the finance was made to Me/Us.

12. I/We, M/s. _____certify that no export bills except those mentioned below are overdue for repatriation, the details of which are as under: -

<u>Sr.No.</u>	<u>E.Form No.</u>	<u>Shipment Date</u>	<u>Amount (Fcy)</u>	<u>Banks</u>
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I/We further certify that the export proceeds on the above mentioned bills have not been repatriated for the following reasons which are beyond my / our control.

SIGNATURE VERIFIED
BY THE BRANCH / BANK

AUTHORIZED SIGNATURE OF THE EXPORTER

N.T.N. _____

STATUS: Manufacturing / Semi Manufacturing /
Trading Co. { Write only applicable here }

MAILING ADDRESS:

a. * Strike out whichever, is inapplicable.

**APPLICATION / UNDERTAKING FOR FINANCE
(FOR PRE/POST SHIPMENT UNDER PART I
TO BE SUBMITTED BY THE INDIRECT EXPORTER)
(To be executed on non-judicial stamp paper)**

The Manager,
_____ Bank Limited,
_____ Branch,
_____ (CITY)

Dear Sir,
I/We, the *Indirect** exporters do hereby certify and confirm that a finance of
Rs. _____ (Rupees _____ only) has
been _____ (Rupees _____ only) has been
allowed to me/us by you under Part-I of the Islamic Export Refinance Scheme for Financing
Exports by Islamic Banks of the State Bank of Pakistan circulated vide BPD Circular No.
dated _____ read with amendments made therein from time to time, on the basis of the following
Islamic Modes of financing , it being understood that return / profit to be derived by the bank
shall not exceed _____% when converted into annual percentage terms :-

MODE OF FINANCING **Name of Islamic Mode(s) of Finance**

2. I/We, further confirm and undertake that the aforesaid finance will be obtained by Me/Us for supply of commodities described by me/us hereunder against valid Inland letter of credit/Standardized purchase order* established/issued in my favour by (name of the Direct exporter).

3. I/We, further confirm and undertake that the aforesaid amount of finance that will be availed by me/us shall be utilized exclusively to meet the cost / expenses of supply of described commodities against Inland letter of credit / Standardized purchase order, particulars of which are given as under :-

Commodity to be supplied	Inland letter of credit/ Standardized purchase order			Expected Supply Date	Particulars of Direct Exporters'		
	No.	Date	Amount		FEO/Contract/ L/Cs	No.	Date
1.	2.	3.	4.	5.	6.	7.	8.

4. I/We, certify and confirm that I/We have not obtained any finance against the above mentioned Inland letter of credit/standardized purchase order from any other Bank.

5. I/We, do, hereby further undertake to submit the following documents for negotiation / collection against the Inland Letter of Credit / Standardized Purchase Order under which preshipment finance has been allowed to Me/Us :-

- Invoice
- Truck / Railway receipt.
- Goods Received Note GRN / Delivery challan signed by the buyer.

6. I/We, hereby confirm and agree that in the event of My/Our failure to effect supplies on or before 120 days and/or failure to submit the above documents to you within 15 days from the expiry date of finance, you have our Irrevocable Authority to recover from Me/Us and debit My/Our Account No. _____ maintained with you along with fine for non shipment at the rate as prescribed by the State Bank of Pakistan from time to time on the amount of finance availed less the amount repaid as a result of part shipment, if any, from the date of original finance. I/We, authorize the bank to reimburse itself with the fine amount even if we have a made a representation to SBP against imposition of fine under EFS.

7. I/We further confirm and undertake that in case if the finance is repaid by Me/Us earlier than the due date, I/We, shall continue to be liable to submit to you the relevant proof of shipment of the goods for which the finance was made to Me/Us.

AUTHORIZED SIGNATURE OF THE EXPORTER

SIGNATURE VERIFIED

BY THE BRANCH / BANK

N.T.N. _____

STATUS: Manufacturing / Semi Manufacturing /

Trading Co. { Write only applicable here }

MAILING ADDRESS:

* Strike out whichever, is inapplicable.

Appendix '1'

Name of the Banking Company-----

Position as on -----

Portfolio of Musharaka Financing

Sr. No.	Name of companies in Musharaka Pool	Financing other than Export Finance	Islamic Export Refinance	Total Amount (3+4)	Security	Date of Disbursement ^δ	Maturity Date ^ω	Repayment Date [∞]
<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>
<u>Total</u>								

For and on behalf of
Name of Bank
(Signature)

(name)
(Designation)

(Name of Bank)

(Signature)

(name)
(Designation)

(To be submitted on quarterly basis, within 7 days of end of quarter)

^δ Please show separate dates for both disbursement of finance by the bank and reimbursement of facility from SBP for the actual amount .- Show separate date and amount for funds provided by the bank for purpose other than Export Finance.

^ω Please show separate date and amount for both SBP and the bank in case there is a variance in the same.

[∞] Please show separate dates and amount for both SBP and the bank in case there is a variance

Appendix '2'

Date

Place

DEMAND PROMISSORY NOTE

(to be appropriately stamped)

On demand we ----- (name of the Islamic Bank) promise to pay to the State Bank of Pakistan, BSC (Bank)----- (name of office) or order the sum of Rs-----
-----only (Rupees only) for value received plus the profit to be derived from the provision of finances by the State Bank of Pakistan on Musharaka basis to -----
--(name of the Islamic Bank) under the Islamic Export Refinance Scheme for financing Exports by Islamic Bank.

For and on behalf of ----- (name of Islamic Bank)

(Signature)

(Signature)

(Name)

(Name)

(Designation)

(Designation)

Appendix - 3

DEMAND PROMISSORY NOTE

Date

Place

On demand we ----- (insert name of customer] promise to pay to ----- (name of the Islamic Bank) or order the sum of Rs (Rupees only) for value received plus the profit accruing to ----- (name of the Islamic bank) Limited in respect finances made available to us and fine , if any, as laid down in the Islamic Export Refinance Scheme for financing Export by the Islamic Bank.

For and on behalf of the [insert name of Customer]

[This DP Note is required to be executed by the borrower and endorsed by Islamic Bank Ltd in favour of the SBP]

Name of the Bank _____ *

**The Chief Manager,
State Bank of Pakistan,
BSC (Bank)**

Dear Sir,

Request for refund of fine(s) under Part-1

We request for refund of fines as per the following particulars in respect of refinance loans under Part I of Islamic Export Refinance Scheme:-

Sr. No.	Name of the Exporter	Branch	Demand Loan				Status of shipment		Fine charged for non-shipment	Date of		Fine Recoverable				Fine Refundable
			No.	Amount	Date of grant	Due date of loan	Due Date	Actual date		Fine charged to exporter	Fine amount passed on to SBP	For delay in submission of documents	For short shipment	For delay in shipment	Total	
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.	13.	14.	15.	16.	17.

We confirm that the amount refundable and shown under Column 17 above is / are correct to the best of our knowledge and that such cases shall be verifiable later by inspector of State Bank of Pakistan.

Yours faithfully,

**(Authorized Signature)
Name & Designation**

* to be submitted by the dealing branch /Head Office of the bank concerned which availed refinance from the respective office of SBP.

Appendix "5"

STATEMENT OF PERFORMANCE AGAINST REFINANCE OBTAINED FROM SBP UNDER THE ISLAMIC EXPORT REFINANCE SCHEME
(PART-1) INCLUSIVE OF FINANCES/REFINANCES OBTAINED BY / FOR THE DIRECT OR INDIRECT EXPORTERS

Name of the Scheduled Bank _____
Address (Branch) _____
Date _____

Demand Loan No. _____
Date of grant _____
Amount _____
Date of receipt of shipping documents from the Exporter _____

Name and address of the Direct Exporter	Name and address of the Indirect Exporter *	ELC/FEO against which finance was obtained			ILC/SPO against which finance was obtained *			No. of ELC/FE O against which shipment was effected	Name of the commodity exported	Commodity supplied*	Invoice Value	Date of shipment (As per B/L)	Date of Supply*		Particulars of relevant 'E' forms Nos. in case of shipment by DE		GRN /Truck receipts Railway Receipts in case of supplies by IDE *		Date / Amount of finance availed by DE/IDE
		No	Amount	Date	No	Amount	Date						Amount	Date	No.	Amount	Amount	Date	
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.	13.	14.	15.	16.	17.	18.	19.	20

We undertake and certify as under:-

i) that the contents of this statement are correct to the best of our knowledge and belief.

ii) that the shipments / E Forms reported in this statement have not been used / shall not be used by us in duplication for reporting performance under Part I or Part II as the case may be in violation of the provisions of Export Finance Scheme.

Date / Amount of refinance obtained from SBP by finance Bank	Amount / Period of refinance utilized in the name of DE	Amount / Period of refinance utilized by IDE	Profit /Return charged from DE	Profit /Return charged from IDE
21.	22.	23.	24.	25.

For and on behalf of

(Signature of the exporter)
Seal of the Exporter

(Signature)
Designation _____

(Signature)
Designation _____

Name of the Bank

- Information pertaining to the indirect exporter

On the letter Head of the Islamic Bank

Specimen of application to be submitted by the Islamic Bank
for claiming refinance from office of the SBP BSC (Bank)
under Part-II of the Islamic Export Refinance Scheme

The Chief Manager,
State Bank of Pakistan,
Banking Services Corporation (Bank)
_____.

Dated._____.

M/s._____.

Dear Sir,

In terms of the agreement executed by us with you on (DD/MM/YYYY) we hereby apply to you for reimbursement of finance facility of Rs. _____ (Rs. in words) _____ against finance provided by us to the captioned exporter under the Islamic modes of finance applied by our Shariah Board.

As provided in the said agreement we enclose Demand Promissory Note on prescribed format executed in our favour and duly endorsed in your favour in respect of the loan facilities sanctioned to our constituent on the basis of his entitlement of form EE-1 (Copy enclosed to be submitted once in a financial year unless revised).

We request you to grant refinance to us under Section 17 (6B) of the S.B.P. Act 1956.

We certify that the signature on the said Demand Promissory Note are genuine thereto and that where it is signed or endorsed by a person purporting to act under an authority, such person is duly authorized to do so and to the best of our knowledge and belief each such party is financially sound, solvent and credit worthy and qualifies to be included in the Musharaka Pool created by us in terms of the covenants of the Islamic Export Refinance Scheme (IERS).

We certify that to the best of our knowledge and belief the financing facility provided by us to the exporter has been used by the exporter to finance the export of goods covered by the Export Finance Schedule under the IERS.

All relevant papers on prescribed format are enclosed herewith.

Enclosure:

Yours faithfully,

(Signature)

Name:_____.

Designation:_____.

We certify that **Promissory Note** specified in the schedule hereto is eligible to purchase /rediscount as provided in section 17(4) (c) of the **State Bank of Pakistan** Act 1956.

Enclosure:

- 1) Demand Promissory Note
- 2) Letter of under taking
- 3) Commodity Certificate
- 4) EE Statement of Rs.
- 5) DE-3
- 6) S.No Date

Schedule of Form 'EB'

Name of drawer or marker

Amount

UNDERTAKING
UNDER PART II – ISLAMIC EXPORT REFINANCE SCHEME
(To be submitted by the exporter on non-judicial stamp paper
in accordance with the law in force in each Province)

The Manager,

_____ Bank Limited,
 _____ Branch,
 _____ (CITY)

Dear Sir,

1. We do hereby certify and confirm that a finance of Rs. _____ (Rupees _____ only) has been allowed to us by you under Part-II of the Islamic Export Refinance Scheme of the State Bank of Pakistan on the basis of the Islamic Modes of financing duly approved by your Shariah Board and it is being understood that return / profit to be derived by the bank shall not _____% when converted into annual percentage terms :-

MODE OF FINANCE

2. We further confirm and undertake that the aforesaid finance is in the nature of a revolving limit and will be utilized by us solely for export of commodities eligible under the Islamic Export Refinance Scheme.
3. We hereby further declare and confirm that we have not, and will not in future, obtain any export finance from any bank other than yourselves on the basis of export receipts covered by the relevant form EE-1.
4. We further undertake that we shall realize export proceeds equal to at least twice the amount of refinance facility from the exports of eligible commodities during the relevant monitoring year excluding any exports for which finance has been obtained under Part I of the Islamic Export Refinance Scheme/ Export Finance Scheme.
5. We further undertake that in the event of short fall in exports for which we have availed of the above finance or in the event of our failure to submit to you statement on Form EF 1 duly verified by the bank concerned on or before 31st August after close of the relevant monitoring year on July-June basis, we will be liable to pay fine at the rate as prescribed by the State Bank from time to time and hereby irrevocably authorize you to debit the same from our account with you.

AUTHORIZED SIGNATURE OF THE EXPORTER

N.T.N. _____

STATUS: Manufacturing / Semi Manufacturing /
 Trading Co. { Write only applicable here }

MAILING ADDRESS:

SIGNATURE VERIFIED
 BY THE BRANCH / BANK

**PARTICULARS OF EXPORT RECEIPTS IN RESPECT OF ELIGIBLE COMMODITIES UNDER PART II
OF THE ISLAMIC EXPORT REFINANCE SCHEME FOR THE MONITORING PERIOD**

(To be submitted in Triplicate)

Full Name & Address of the Exporter

Export Registration Number/NTN

Name & Address of the Bank

Sr. No.	Export Form No.	Name of Consignee	Commodity	Contract/L.C. under which shipment made			Date of Shipment	Date of Negotiation by the bank by way of discounting/ purchase of Bill/ Date of Post Shipment Financing on Shariah Compliant basis other than Part I	Proceeds Realized or to be realized			Monthly Return and the name of Office of State Bank to which realization reported by the bank	Remarks (reference of FDBP against sight L/C)
				No.	Date	Amount			Amount in Foreign Exchange	Amount in Pak Rupees	Date of Realization in case export proceeds already realized		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)

I/We hereby solemnly state that the above statement does not include : -

- (i) Any export commodities which do not qualify for export finance under the Scheme
- (ii) The exports on negotiation basis reported in this Statement are against sight irrevocable letter(s) of credit which is/ are eligible for negotiation without reserve and the bills in respect thereof have not been negotiated with a scheduled bank in Pakistan except those mentioned above.

Signature & Seal of the Exporter

Countersigned by the Bank

(Name & Designation of the Authorized Officer of the Bank)

**PARTICULARS OF EXPORT RECEIPTS IN RESPECT OF ELIGIBLE COMMODITIES UNDER PART II
OF THE ISLAMIC EXPORT REFINANCE SCHEME FOR THE MONITORING PERIOD**

Full Name & Address of the Exporter

Export Registration Number/NTN

Name & Address of the Bank

Sr. No.	Export Form No.	Name of Consignee	Commodity	Contract/L.C. under which shipment made			Date of Shipment	Date of Post Shipment Financing on Shariah Compliant basis other than Part I	Proceeds Realized or to be realized			Monthly Return and the name of Office of State Bank to which realization reported by the bank	Remarks (reference of FDBP against sight L/C)
				No.	Date	Amount			Amount in Foreign Exchange	Amount in Pak Rupees	Date of Realization in case export proceeds already realized		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)

I/We hereby solemnly affirm that

(i) the above statement does not include :-

- a. Any export commodities which do not qualify for export finance under the Scheme
- b. Any export made under a contract/LC which I/We obtained Export Finance from any bank under Part-I of the Scheme.

(ii) The exports on negotiation basis reported in this Statement are against sight irrevocable letter(s) of credit which is/ are eligible for negotiation without reserve and the bills in respect thereof have not been negotiated with a scheduled bank in Pakistan except those mentioned above.

Signature & Seal of the Exporter

Countersigned by the Bank

(Name & Designation of the Authorized Officer of the Bank)