

Frequently Asked Questions (FAQs)

Islamic Roshan Digital Business Account

Q: What is a Foreign Currency Business Value Account?

A: Foreign Currency Business Value Account is a separate category of foreign currency account introduced by the State Bank of Pakistan to facilitate business entities incorporated abroad with majority shareholding of non-resident Pakistanis and/or Non-Resident Pakistan Origin Card (POC) holders.

Q: Who is eligible to open a Foreign Currency Business Value Account?

A: Business registered outside Pakistan / entities incorporated abroad with majority shareholding of non-resident Pakistanis and/or Non-Resident Pakistan Origin Card (POC) holders are eligible to open a Foreign Currency Business Value Account.

Q: What is the purpose of a Foreign Currency Business Value Account?

A: The purpose of a Foreign Currency Business Value Account is to facilitate business entities incorporated abroad with majority shareholding of non-resident Pakistanis and/or Non-Resident Pakistan Origin Card (POC) holders to conduct business transactions in foreign currency.

Q: What are the benefits of a Foreign Currency Business Value Account?

A: The benefits of a Foreign Currency Business Value Account include the ability to conduct business transactions in foreign currency, ease of repatriation of profits, and exemption from certain taxes and regulations.

Q: What is a Qardh based account and why is Bank Alfalah Islamic Roshan Digital Business Current Account, a Qardh based account?

A:

Islamic Roshan Digital Business Current Account is based on the concept of Qardh, (loan on demand), where customer is the lender and Bank is the borrower. The amount deposited by Customer in this account shall remain payable by the Bank to the customer until paid. Bank may at its discretion use or employ such funds as it deems fit in approved Shari'ah Compliant products/avenues. No profit is paid on the deposit.

Q: What is a Mudarabah-based account and why is Bank Alfalah Islamic Roshan Digital Business Savings Account, a Mudarabah-based account?

A: A profit bearing account based on the principles of Mudarabah, where Customer is "Rab-ul-Maal" and Bank is "Mudarib". Bank may, at its discretion, use or employ such funds as it deems fit. Bank shall share the profit on the basis of predetermined profit sharing ratio.

Q: What documents are required to open a Foreign Currency Business Value Account?

A: The documents required to open a Foreign Currency Business Value Account include the usual documents required to open a foreign currency account, as well as proof of incorporation/registration of the business entity, tax registration, details of the majority shareholding of non-resident Pakistanis.

Q: Who can open an account under the Framework for Remote/ Digital Account Opening of Non-Resident Legal Entities?

A: Juridical persons/entities incorporated/registered outside Pakistan under the relevant laws of the respective jurisdiction, majority owned and controlled by NRPs and/or Non-Resident POC Holders can open an account.

Q: How can above mentioned entities open an account under the Framework for Remote/ Digital Account Opening of Non-Resident Legal Entities?

A: Such entities can authorize an NRP or Non-Resident POC Holder to process the account opening through the bank's website/application.

Q: What is the account type and which currencies are available in the Islamic Roshan Digital Business Account?

A: Bank Alfalah offers the Islamic Roshan Digital Business Account in both Current and Saving variants, which can be opened in the following categories:

(i) Pakistani Rupees (PKR) (ii) Foreign Currency (FCY), which includes:

- Canadian Dollar (CAD)
- Euro (EUR)
- Great British Pound (GBP)
- Saudi Riyal (SAR)
- UAE Dirham (AED)
- US Dollar (USD)

Q: What information is required from an entity customer to open an Islamic Roshan Digital Business Account with Bank Alfalah?

A: The following information is required:

- Entity name
- Details of incorporation/registration
- Details of tax registration
- List of persons associated with the customer
- Customer's registered address, mailing address (reason if different from registered address) and place of business (reason if different from registered or mailing address)
- Contact details
- Nature of customer's business
- Purpose of account and intended nature of the business relationship
- For trusts and other legal arrangements - objects of trust, description of class of beneficiaries (if applicable)

Q: Who needs to be included in the list of persons associated with the customer when opening an Islamic Roshan Digital Business Account with Bank Alfalah?

A: The list of persons associated with the customer includes:

- Natural persons authorized to open and/or operate the account
- Beneficial owners having 20% or more shareholding/ownership of customer (10% or more in case of accounts requiring Enhanced Due Diligence) directly or through intermediary legal entities.
- Members of ultimate governing body (e.g. Board of Directors, Trustees, etc.)
- For trusts and other legal arrangements - the settlor, the protector (if any), the beneficiaries, and any other natural person exercising ultimate effective control over the trust, as applicable.

Q: What is the purpose of including the nature of customer's business when opening an Islamic Roshan Digital Business Account with Bank Alfalah?

A: Including the nature of customer's business helps the bank to understand the customer's business activities, licensing, scope of activities, business alliances in Pakistan, and countries of operations (as applicable). This information assists in risk assessment and enables the bank to comply with regulatory requirements.

Q: Why does Bank Alfalah require information about the objects of trust and description of class of beneficiaries for trusts and other legal arrangements?

A: Bank Alfalah requires this information for trusts and other legal arrangements to understand the objectives and beneficiaries of the trust. This helps in assessing the risk associated with the customer and enables the bank to comply with regulatory requirements

Q: What documents are required for opening an Islamic Roshan Digital Business Account?

A: The following documents will be required to open Islamic Roshan Digital Business Account:

- Copy of applicable documents as required in Annex-A of the Framework for Remote/Digital Account Opening of Non-Resident Legal Entities issued by State Bank of Pakistan
- Original scanned CNIC/NICOP/POC/Passport (first 2 pages only) or valid Identity Document of other country (only for foreign nationals)
- Proof of non-resident status, e.g. scanned copy of POC, visa, entry/exit stamps, etc. (only from non-residents)
- Live photo of the persons authorized to open and operate the account, to be obtained through the App/ web portal
- Signature (Wet/Digital/Electronic) or any other authentication method recommended by the bank
- Multifactor authentication to verify the persons authorized to open and operate the account
- Any mechanism recommended by the bank (e.g. CAPTCHA) to determine that the applicant is not a bot

Q: What declarations does the person processing the account opening for an Islamic Roshan Digital Business Account require?

A: The person processing the account opening for an Islamic Roshan Digital Business Account must provide the following declarations:

- Digital/ online undertaking declaring their non-resident status
- Digital/ online undertaking declaring that he/ she is duly authorized by the customer to open the account
- Digital/ online consent for use of information/ documents provided through the above process for all due diligence and supervisory functions.

Q: What are the declarations required from the customer when authorizing someone to open an account on their behalf?

A: The customer is required to make the following declarations:

- Declaration that the funds invested/used through the account belong to the customer and not to any other person
- Consent from all persons associated with the customer to use information/documents for all due diligence and supervisory functions
- Acceptance of the account's Terms & Conditions
- Declaration to inform the bank about any material change in the customer's information, including any change in beneficial ownership of the customer, and provide necessary documents to the bank within the stipulated time.

Q: What does it mean to declare that the funds used in the account are the customer's own?

A: When declaring that the funds used in the account are the customer's own, the customer is certifying that the funds are not beneficially owned by any other person.

Q: Why is consent required from all persons associated with the customer for the use of information/documents?

A: The bank requires consent from all persons associated with the customer to use information/documents for all due diligence and supervisory functions to ensure the accuracy and completeness of the information provided and to comply with the regulatory requirements.

Q: What is the importance of informing the bank about any material change in the customer's information?

A: Informing the bank about any material change in the customer's information is important because it helps the bank to maintain accurate and up-to-date information about the customer and comply with regulatory requirements. It also ensures that the bank can properly assess any potential risks associated with the account.

Q: What are the requirements for verifying and profiling customers under the Framework for Remote/ Digital Account Opening of Non-Resident Legal Entities?

A: The bank must assess the money laundering/terrorist financing risks posed by the customer and verify their information and constituent documents from reliable sources such as public registers or directly through the online portal/website of the issuing authority. If verification is not possible, notarized/consularized copies of documents can be obtained through the website/application.

Additionally, the bank must require the customer to remit the initial deposit from their bank account with the same title maintained in their home jurisdiction (i.e. customer's country of incorporation/registration). The bank must also carry out due diligence for each person associated with the customer, including verification of CNIC/NICOP/POC through NADRA Verisys and screening against applicable sanctions regimes.

Q: Can the bank conduct a video call with the customer during the account opening process?

A: Yes, the bank may carry out and record a video call with the applicant customer while carrying out CDD process for opening the account.

Q: How does the bank ensure data/ privacy protection, safety and security of information/ documents during the account opening process?

A: The bank shall ensure the data/ privacy protection, safety and security of information/ documents through reliable IT infrastructure.

Q: Does the bank need to carry out ongoing customer profiling?

A: Yes, the bank may carry out periodical re-profiling of the customers in accordance with their Risk Management framework, including turnover in the account.

Q: What happens if a customer becomes ineligible after opening an account under the Framework for Remote/ Digital Account Opening of Non-Resident Legal Entities?

A: If a customer becomes ineligible subsequently, relevant controls may be applied as provided in Chapter 6 and Chapter 8 of the FE Manual.

Q: What documents are required for identification of Limited Liability Partnership (LLP) customers?

A: The required documents are:

- (i) Limited Liability Partnership Deed/ Agreement
- (ii) LLP-Registration Certificate issued by competent authority in home jurisdiction
- (iii) Document having details of partners/ designated partners
- (iv) Authority letter signed by all partners, authorizing the person(s) to open and operate LLP account.

Q: What documents are required for identification of Limited Companies/ Corporations customers?

A: The required documents are:

- (i) Memorandum of Association,
- (ii) Articles of Association
- (iii) Certificate of Incorporation
- (iv) Resolution of Board of Directors for opening of account specifying the person(s) authorized to open and operate the account (not applicable for Single Member Company).

Q: What documents are required for identification of Trusts, Societies, Associations, etc. customers?

A: The required documents are:

- (i) Certificate of Registration/ Instrument of Trust
- (ii) By-laws/ Rules & Regulations, if applicable
- (iii) Declaration from Governing Body/ Board of Trustees/ Executive Committee/ sponsors on ultimate control, purpose and source of funds etc.
- (iv) Resolution/ Documentation of the Governing Body/ Board of Trustees/ Executive Committee, if it is ultimate governing body, authorizing the person(s) to open and operate the account.

Q: What documents are required for identification of NGOs/ NPOs/ Charities customers?

A: The required documents are:

- (i) All relevant Incorporation/ Registration documents as per Sr. No. 2 or Sr. No. 3 depending on legal structure of NGO/ NPO/ Charity
- (ii) Valid registration with relevant authority in Pakistan (Ministry of Interior, Economic Affairs Division, etc.) as per applicable law, rules or policy
- (iii) Annual accounts/ financial statements or disclosures in any form, which may help to ascertain the detail of its activities, sources and usage of funds in order to assess the risk profile of the prospective customer

Q: What is the maximum time taken from the submission of account opening request along with complete documents by the customer to the final decision regarding onboarding the customer or otherwise that the bank shall ensure?

A: The bank will ensure that the total time taken from the submission of account opening request along with complete documents by the customer to the final decision regarding onboarding the customer or otherwise, is not more than 10 working days. However, this period may be extended up to 30 days for customers incorporated/registered in jurisdictions where online digital verification is not available.

Q: What are the permissible credits to the Foreign Currency Business Value Account?

A: The permissible credits to the account include remittances received from abroad through banking channels, transfer of funds from its own NRBVA maintained in PKR with the same Bank, profit, return or proceeds of sale or maturity of Shariah permissible investments made from FCBVA, and reversal of any erroneous debit from FCBVA.

Q: What are the permissible debits from the Foreign Currency Business Value Account?

A: The permissible debits from the account include investment in permissible securities, transfer of funds to its own NRBVA maintained in PKR with the same Bank, transfer to any other FCY or PKR account, remittance or payments to the extent of balance available therein without any prior approval of the State Bank of Pakistan and reversal of any erroneous credit entry.

Q: What are the eligible investment products for the Foreign Currency Business Value Account?

A: The eligible investment products for the account include FCY-denominated Government of Pakistan's registered Shariah Compliant Debt securities (Sukuk and any other registered Shariah Compliant debt securities of the government) and Shariah Compliant FCY-denominated term deposit/remunerative product scheme of the same Bank. The funds for the investments shall be transferred by the Banks only in the eligible products, through the instructions received from the authorized account operator in this behalf.