

ISLAMIC DEVELOPMENT BANK
SCHOLARSHIP BOND

KNOWN ALL MEN by these presents that I,

_____ (Student name)

(Hereinafter called "Obligor") of

_____ (Country name)

and _____ (Full name of first surety)

and _____ (Full name of second surety)

of _____ (Country name) are jointly and severally bound unto the

Islamic Development Bank, an international financial institution having its Headquarters in Jeddah, Kingdom of Saudi Arabia, of Post Office Box Number 5925, Jeddah 21432 (hereinafter called "The Bank") in the amount which the IDB will spend for the duration of scholarship as a loan which will be repaid to the Bank or such other Foundation/Trust/Waqf/Society to which the Bank may assign its rights, in equivalent _____ (name of local currency) at the rates of exchange prevailing at the dates of payment, for which payment to be well and truly made, we jointly and severally bind ourselves, our heirs, executors, administrators and assign by these presents:

SEALED with our seals this _____ day of _____ Two Thousand (date) (month)

and _____.

WHEREAS under a scheme for the award of financial assistance of any kind

(hereinafter referred to as "Scholarship Programme") for studying at _____

_____ (University and country names)

and under the terms of the said scheme as set out in the Schedule hereto (Schedule 1), the Obligor is required to enter into a bond duly to comply with the conditions set out hereunder:

1- NOW THE ABOVE WRITTEN OBLIGATIONS are conditioned to be void in the case the said Obligor shall:

- (a) Complete the course for which the scholarship was awarded in accordance with the terms and conditions as set out in Schedule (1) hereto and follow such other conditions and directions as the Bank may lay down from time to time provided that the Bank gives due notice in writing to the Obligor of such conditions and or directions.
- (b) Repay the total amount which the IDB will spend for the duration of the scholarship as a loan in equivalent _____ (*name of local currency*), at the rates of exchange prevailing at the dates of payment, to the Bank, or such other Foundation/Trust/Waqf/Society, to which the Bank may assign its rights after the completion of the studies and employment. However, the said sum of _____ (*name of local currency*) shall carry no interest and shall be payable in reasonable installments.
- (c) Serve the community in the capacity for which his/her course of institution is adjudged by the Implementation Committee formulated for the execution of the Programme in the student's country, which is also known as the IDB Counterpart for the Scholarship Programme, to have rendered him/her competent and continue in that service for a period equal to the period of his/her study during which he/she was on scholarship.

2- The Bank may, by written notice to the Obligor and/or Surety, assign its rights hereto to any Foundation/or Trust/Waqf or Society in

(*Country name*)

3- The law applicable to this Bond shall be the law of

(*Country name*)

PROVIDED ALWAYS AND IT IS HEREBY AGREED:

- (i) That the Bank, on consultation with the Implementation Committee formulated for the execution of the Programme in the student's country, shall have power to release him/her from such obligations

at any time before the expiration of the said period mentioned in article 1 (c) hereof as the Bank shall, in its discretion, think fit.

- (ii) That in the event of a breach of any of the above conditions the above written Bond shall remain in full force and effect and the same total amount of scholarship shall be forthwith payable to the Bank, or such other Foundation/or Trust/Waqf/Society, to which the Bank may assign its rights in equivalent _____ (*name of local currency*), at the rates of exchange prevailing at the dates of payment, in respect of such breach by way of liquidated damages and not as a penalty by the Obligor and in case of the Obligor failing to do so, by the sureties jointly or severally.

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SIGNED, SEALED AND DELIVERED

(by the Obligor to whom a scholarship has been awarded)

Signature : _____
Name in full : _____
Address : _____
Occupation : _____
In the presence of : _____

SIGNED, SEALED AND DELIVERED

(by the first surety)

Signature : _____
Name in full : _____
Address : _____
Occupation : _____
In the presence of : _____

SIGNED, SEALED AND DELIVERED
(by the second surety)

Signature : _____

Name in full : _____

Address : _____

Occupation : _____

In the presence of : _____

SCHEDULE (1)

TERMS AND CONDITIONS OF THE SCHOLARSHIP

- 1- The Bank agrees to provide, and the student agrees to accept, on the following terms and conditions, a scholarship to study _____ at the University of _____
(*field of study*)
in _____.
(*country name*)

- 2- Subject to the provisions of this Agreement, the Bank agrees to provide the student during the terms of his/her scholarship with the following:
 - (a) A monthly scholarship of US\$ _____ (_____ only) which shall become payable either from the day when the student presents himself/herself in _____
(*place of study*)
provided this is not more than 10 (ten) days before the commencement of study, or from the date of approval whichever is later.

 - (b) Clothing and books allowances for each academic year in an amount equal to three months scholarship.

 - (c) Health Insurance in US\$ _____ to cover medical treatment. If Health Insurance is not available as part of the Social Security System, the student shall be entitled to the cost of medical treatment only if the treatment is done at the University Hospital or a Government Hospital.

 - (d) An amount not exceeding US\$ 40/- (US dollars Forty only), once throughout the period of study, for the cost of a pair of spectacles where the use of the same is recommended by the University or a Government Hospital.

 - (e) For a student studying outside the country, one way air ticket to the student's place of study to join the Programme and the same to go home upon completion of the Programme.

In addition, a return air-ticket from the student's place of study to his home country once in the middle of the period of studies. The tickets will be issued only to those who pass their end-of-the-year examination and are promoted to the next level. The students are required to plan the utilization of the return air-ticket to meet the needs of their studies such as to do internship, training, etc. in their home countries.

- 3- The student shall undertake:
- (i) to devote all his/her time to his/her studies and that he/she will not undertake any work for remuneration;
 - (ii) not to leave the place of study, except for reasons other than holidays or circumstances which are beyond his/her control, without the approval of the authority in charge of the Scholarship Programme in the Bank;
 - (iii) not to change his/her specialization without the approval of the authority in charge of the Scholarship Programme in the Bank;
 - (iv) to behave, at all times, as a good Muslim and will not violate Muslim principles or conduct himself/herself contrary to the basic tenets of Islam;
 - (v) to send to the Bank, regularly, receipt of the stipends and other allowances sent by the Bank every three months and the copies of academic records of every academic term/semester;
 - (vi) to take active part in any Islamic orientation programme suggested or provided by the Bank through educational material, lectures, etc. in order to enhance his/her knowledge and awareness of Islam and the affairs of the Muslims .
- 4- The Bank shall be at liberty to rescind this Agreement and cease payment of the scholarship, if:
- (a) the student commits a breach of any of the undertaking made under clause 3 hereof.
 - (b) the student's academic performance is not satisfactory or if the reports of his/her University show that he/she is incapable of realizing the objectives of his/her education.
- Note: The Bank will issue circulars for further details on the provisions and undertakings mentioned under item 2, 3 and other points in this Bond Agreement, as directed by the Executive Committee of the Scholarship Programme.
- 5- Before the scholarship becomes effective, the student must enter into a bond duly to comply with the undertakings herein and the terms and conditions set out in the bond.

