

# **Benevolence Cooperative Society Withdrawal Policy Agreement**

This document outlines the withdrawal policy of Benevolence Cooperative Society (hereafter referred to as "the Society") for all employees who have enrolled as members. The following withdrawal types and terms are based on the principles of mutual cooperation, solidarity, and Sharia compliance.

## **1. Purpose of Withdrawal Agreement**

The purpose of this agreement is to establish the terms and conditions under which employees can request withdrawals from their savings within the cooperative. These terms ensure transparency, fairness, and alignment with Sharia law, while also safeguarding the financial stability of the Society and its members.

## **2. Withdrawal Types**

### **2.1 Complete Withdrawal**

This type of withdrawal occurs in the following cases:

- 1) **Death of Employee:** Upon the death of a member, their savings will be disbursed to the designated beneficiary as per the Society's procedures.
- 2) **Voluntary Withdrawal:** When an employee decides to leave the cooperative before retirement, they can request a complete withdrawal of their savings.
- 3) **Retirement:** Employees who retire from their workplace or employment may request a complete withdrawal of their savings.

### **Terms for Complete Withdrawal:**

#### **1. Charges:**

- a. **Death of Employee:** In the unfortunate event of a member's death, the cooperative will charge **2%** of the total savings as an administrative fee to cover processing costs. This fee will apply to the beneficiary or legal representative handling the withdrawal process.

- b. **Retirement:** When an employee retires from their workplace or employment, the cooperative will charge a **3%** administrative fee on the total savings. This fee covers the processing and documentation related to the retirement withdrawal.
  - c. **Voluntary Withdrawal:** If an employee voluntarily decides to leave the cooperative before retirement, the cooperative will charge **5%** of the total savings as an administrative fee. This higher fee reflects the voluntary nature of the withdrawal and the associated administrative effort.
2. **Sharia Compliance:** The charge is considered a reasonable administrative fee, in line with the principles of Sharia, ensuring no interest-based charges are levied.

## **2.2 Regular Partial Withdrawal**

A regular partial withdrawal allows employees to withdraw up to a maximum of **30%** of their total savings under the following conditions:

- 1) The employee must have been a member of the cooperative for at least **1 year** before requesting the partial withdrawal.
- 2) Only a partial amount (up to 30%) of the savings can be withdrawn. This limit is designed to ensure that members retain sufficient savings for future needs.

### **Terms for Regular Partial Withdrawal:**

- 1) **Withdrawal Limit:** Employees can withdraw up to a maximum of **30%** of their total savings after completing **1 full year** of membership.
- 2) **Charges:** A charge of **2%** of the withdrawal amount will be applied.
- 3) **Sharia Compliance:** The charge for this partial withdrawal is permissible under Sharia as it is an administrative fee for processing the withdrawal and not an interest-based transaction.

## **3. Procedure for Withdrawal**

### **3.1 Requesting Withdrawal**

Employees seeking to make a withdrawal must submit a formal request through the **Benevolence Cooperative Society (BCS) platform**. In the event of the employee's death, the withdrawal request can be sent directly to the cooperative office by the designated representative or beneficiary.

All withdrawal requests must include:

- 1) The employee's personal details
- 2) The **withdrawal type** (either **partial** or **complete**)
- 3) The reason for withdrawal (applicable to complete withdrawals, such as death, voluntary withdrawal, or retirement)
- 4) The requested withdrawal amount

The cooperative's management will review each request to ensure compliance with the terms outlined in this agreement.

### **3.2 Approval and Processing**

- 1) For **complete withdrawals** (death, voluntary departure, or retirement), the Society will process the withdrawal after verifying the cause and ensuring all necessary documentation is in order.
- 2) For **regular partial withdrawals**, employees must ensure they have completed one full year of membership to be eligible to withdraw up to 30% of their savings. Upon approval, the withdrawal will be processed and a charge of 2% will be applied to the withdrawal amount.
- 3) The withdrawal amount will be paid to the employee's designated bank account or by another method approved by the Society.

### **3.3 Sharia Compliance**

- 1) All withdrawal processes, charges, and the distribution of funds will be conducted in strict adherence to Sharia law, which prohibits usury (Riba) and ensures that no interest is accrued on the savings or withdrawals.

- 2) The charges for withdrawals are strictly for administrative purposes and are within the limits set by Sharia principles.

#### **4. Additional Terms and Conditions**

- 1) **Employee Responsibility:** It is the responsibility of the employee to ensure they have met the eligibility criteria for withdrawal. Any failure to meet the criteria will result in the rejection of the withdrawal request.
- 2) **Administrative Charges:** The charges mentioned above for each withdrawal type are fixed administrative fees intended to cover the cost of processing the withdrawal. These charges are non-negotiable and apply to all members equally.
- 3) **Amendments to the Policy:** The Society reserves the right to amend the withdrawal policy as necessary. Any changes to this agreement will be communicated to all members in writing.

#### **5. Withdrawal Request Acknowledgment**

By signing this agreement, you, as a member of Benevolence Cooperative Society, acknowledge and accept the terms and conditions set forth in this document, including the types of withdrawals, eligibility criteria, withdrawal limits, and applicable charges.

**Signed:**

**Employee Name:** \_\_\_\_\_

**Employee NITDA ID:** \_\_\_\_\_

**Employee Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Chairman BCS:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

