ABSTRACT

Faisal Islam Bank is one of the oldest banks in Turkish Republic of Northern Cyprus. Being a subsidiary of Dubai Islam Bank it worked around 30 years by Islamic system. Only in 2014, due to newly imposed laws that restricted activities of Islamic banking in the country, FIB switched to conventional banking. Now, FIB has difficult, but interesting times of the full restructuring its business, but is still providing their customers with the highest possible standards of services. Therefore, in my project, I will describe those particular activities, which distinguish Faisal Islam Bank from other Cyprus banks, such as issuing North Card or “Visit Me” service. I will also expose opportunities and specify some rules and conditions of FIB’s services which, from my point of view, would be interesting not only for customer use, but also for providing a vital example for studying. Regarding last events in Moldova, such as stealing 1 billion dollars from three Moldavian biggest banks by manipulations of government workers, I would like to analyze, which of services provided by FIB would be popular among customers in my native country. But, first of all, I would like to start from the history and mission of the bank.\*

33 YEARS OF EXCELLENCE

Faisal Islam Bank of Cyprus, established in October 1982, is one of the very first banks established by foreign investors in Turkish Republic of Northern Cyprus. Right after starting its operations in March 1983, FIB opened branches in three major cities: Nicosia, Kyrenia and Famagusta in order to expand and to provide services to a wider audience. While adopting conventional banking system, general shareholders assembly held a meeting on expanding and came up with increasing paid-up capital from TRL 7 Million to TRL 17 Million. The main shareholders of the bank can be named as Dubai Islam Bank(DIB), subsidiary company of AL-Gosabi Group and Bahraini Kooheji group.

PAYMENT SERVICES

Current account holders of FIB can enjoy a variety of payment services, although, not all of them are allowed for saving accounts. Among such options are standing orders, which can be used for transferring a scheduled amount of money from an individual’s current account to his saving account, and direct debits, which are widely used for automatic transfer of payment for electrical authority of TRNC Kib-Tek. In case, the client uses standing orders and want to stop these payments, it is necessary that he tell it to the receiving side, but FIB sends a notification to both sides as well. Another payment service, provided for current account holders is checkbook, which is issued for clients holding more than 1000 TRL on their account.

In Moldova, these services are mostly useful for government and big organization workers, who receive legal salary straight to their bank account. While cash transferring from current to saving account is very useful, there are too many workers, who receive a part of the salary “in envelopes” in order to not paying income taxes. Standing orders are widely available, and it is easy to pay for electricity, water or government car insurance services, but it is not the most popular service because of the reason mentioned before.