

البنك العربي
ARAB BANK



Beginnings never end

Dormant Accounts

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What is a Dormant Account? Meaning, Importance, and Management Tips

1. What is a Dormant Account?

A bank account is considered dormant if there has been no transaction on the account, after a specified period had elapsed (refer to the dormancy period below).

Transactions include withdrawal, deposit of cash or checks whether at the branch or ATM, remittances, and online transactions.

Commissions & charges, taxes or interests debited/credited by the bank on dormant accounts are not considered as transactions.

2. Dormancy Period

Period of Inactivity	Account Type
2 years	Current and Saving
3 years	Term deposit

The dormancy will include all available suffixes. Once the account becomes dormant, all possible means will be used to contact the account holder in order to take appropriate action before end of month and avoid the deduction of dormancy fees.

3. Consequences of Dormant Account

Restricted Access

- While the account is still open, account holder or his/her agent holding a power of attorney, may have restricted access to perform any debit or credit transactions at a branch, through ATM or online, without re-activating the account.
- No checkbook can be issued for dormant accounts.
- All cards and services related to the dormant account will be stopped.
- A third party cash deposit or any credit entry cannot activate a dormant account.

Security risks

- Dormant accounts are often more susceptible to fraud, financial crimes or unauthorized access, as they are less frequently monitored by account holders. This can lead to financial losses.

- Important notifications, such as changes in terms and conditions, or interest rates, might be missed if the account holder is not actively monitoring the dormant account, leading to uninformed updates or missed opportunities.

4. Dormancy Fees

Dormancy Period	Monthly Fees
2 to 3 years	USD 10 or LBP 1 Million
> 3 but ≤ 10 years	USD 20 or LBP 2 Million
> 10 but ≤ 15 years	USD 100 or LBP 10 Million
> 15 years	USD 200 or LBP 20 Million

5. How to Activate a Dormant Account?

A dormant account can be re-activated in the following cases:

- The account holder visits any Arab Bank branch locally or abroad in person, in order to acknowledge the account balance and update his KYC and CRS forms, if needed.
- The agent holding a Power of Attorney that explicitly mentions that he has the right to activate the account holder's dormant account with the authority to sign all related documents.
- Authenticated debit instructions received from any Arab Bank branch along with the balance confirmation signed by the account holder.

Important:

When one account is re-activated, all accounts related to the account holder will become active. No account can be re-activated via a phone call.

Documents Required:

To re-activate a dormant account, the account holder must present a valid original ID.

6. How to Prevent an Account from Becoming Dormant - Tips

- Regularly check your account status.
- Make at least one transaction on your account every two years.
- Connect your bank account to your "Arabi Mobile" app to make recurring payments.
- Stay updated with the bank's rules and regulations.