

In the name of Allah, the Most Gracious, the Most Merciful

ISLAMIC HOME FINANCE BY STANDARD CHARTERED BANK
PRONOUNCEMENT OF THE SCB SHARIAH SUPERVISORY COMMITTEE

All praise is due to Allah, the Cherisher of the World, and peace and blessing be upon the Prophet of Allah on his family and all his companions

The Shariah Supervisory Committee (Committee) has reviewed and approved the following agreements relating to SCB's Islamic Home Finance Facility for completely constructed properties:

- Promise to Lease
- Ijarah Agreement
- Service Agency Agreement
- Purchase Undertaking
- Sale Undertaking
- Sale Undertaking (In case of Refinance / BTF)
- Sale Agreement (In case of Refinance / BTF)

Islamic Home Finance Facility is based on the concept of Ijarah. Whereby the Bank will take ownership of the property and rent it to the customer. A brief outline of the product structure is given below:

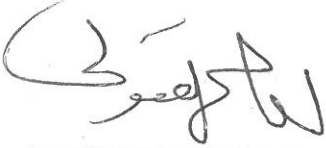
1. A customer identifies a property and requests the Bank for its financing. Whereas, in case of a refinance/BTF the customer will sell its own property to the bank through a Sale Agreement.
2. The Bank purchases the property from its current owner.
3. The Bank leases the property to the customer for an agreed tenure on which the customer pays periodic rentals.
4. Based on an agreed understanding between the Bank and the customer, the rental payments are changed periodically.
5. At the end of the lease tenure the Bank transfers the ownership of the property to the customer through a sale agreement and the customer gets the ownership of the property.

The committee hereby rules that the Islamic Home Finance Facility offered by SCB – Saadiq is in accordance with the principles of Shariah and customers can take advantage of this facility, which relieves it from interest-based products

And Allah knows the best.



Dr. Abdul Sattar Abu Ghuddah
Shariah Advisor



Sheikh Nizam Yaquby
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Dr. Mohamed Ali Elgari
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