

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

**ISLAMIC EXPORT REFINANCE FACILITY
BY STANDARD CHARTERED BANK (PAKISTAN) LIMITED
PRONOUNCEMENT OF THE SCBPL SHARIAH BOARD**

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

The Shariah Board has reviewed the following agreements relating to SCBPL's Islamic Export Refinance Facility:

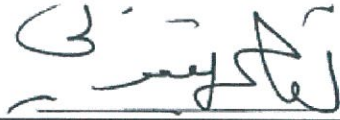
1. Musharakah Agreement (between SCB and State Bank of Pakistan)
2. Murabaha Agreement
3. Agency Agreement

The objective of this facility is to facilitate customers to have access to export financing on subsidized rates designed in accordance with the principles of Shariah. In brief, the product has been structured in the following manner:

1. SBP and the Bank will enter into a Musharakah agreement. SBP will act as the sleeping partner while the bank will act as the working partner in this Musharakah.
2. The Bank will utilize these funds by giving financing to Customers on a Murabaha basis.
3. The profit rate charged on the Murabaha Financing will be at subsidized rates as specified by SBP from time to time. However, once disbursed the profit amount for a given Murabaha will not be changed because of a change in the rates specified by SBP.
4. The profits from the Musharakah pool will be shared between SBP and SCB using a weightage mechanism.
5. The profit sharing weightages will be fixed at the beginning of every month based on projected numbers.
6. At the end of every month the actual income from the pool will be shared between SBP and the Bank based on the weightages fixed at the beginning of the month.
7. The calculation of distributable profit will be done on a monthly basis while the payment will be done on a quarterly basis.
8. In case there is a net loss in the pool in a given month, the loss will be shared between the two parties exactly in the ratio of their investment.

Based on this concept, the Shariah Board has reviewed the detailed product structure and the above mentioned agreements and found the same to be in accordance with the principles of Shariah. The Shariah Board hereby rules that Customers can take advance of this facility which relieves them from interest-based products.

And Allah Almighty knows best.



Shaikh Nizam Yaqouby
Chairman Shariah Board



Mufti Irshad Ahmad Aijaz
Member Shariah Board

SCBPL Shariah Board
Date: March 30th 2016



Mufti Muhammad Abdul Mubeen
Member Shariah Board



Mufti Muhammad Abdullah
Resident Shariah Board Member