

Fatwa: Retail Business Finance

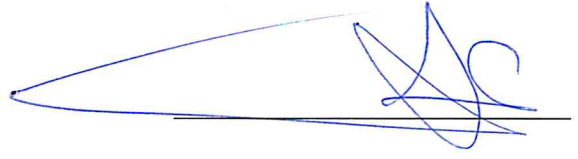
Sharia Supervisory Board at Bank Nizwa reviewed the Business Finance Product Program for retail clients and its documents comprehensively, and established the following major execution steps:

- The program caters for salaried individuals who also maintain small businesses.
- Products offered to clients of Business Finance include approved products such as Murabaha, Ijara, Forward Ijara, and other products that may be approved by SSB for retail clients.
- Murabaha is an approved product program whereby the bank purchases Sharia compliant goods from a third party, based on client's request, and sell it to client by Murabaha sale contract in exchange for Murabaha installment payments.
- Ijara is an approved product whereby the bank purchases property or assets or services from a third party, based on client's request, and lease it to client on lease-to own basis for an agreed rental period in exchange for rental installments.
- Forward lease is an approved product whereby the bank concludes a construction contract with a contractor, based on client's request to construct property such as a house, and lease the same to client on forward lease basis for an agreed period in exchange for rental installments.
- This program shall include other products offered to retail clients as approved by Sharia Supervisory Board.

Sharia Supervisory Board confirms and declares that the Retail Business Finance Product Program is in compliance with Sharia principles and rules as issued by the Sharia Supervisory Board of the bank and by Auditing and Accounting Organization for Islamic Financial institutions (AAOIFI), specifically Sharia standard number (08) on Murabaha, Sharia standard number (09) on Ijara and Accounting Standard number (01) on General Disclosure, and other related Sharia and Accounting standards, and with applicable regulations in the Sultanate of Oman.

Sharia Supervisory Board recommends obedience to Allah, and sincere intentions in privacy and public, and adhere to best practices to the good of society; and Allah is All-knowledgeable.

Dr. Abdul-Sattar Abou-Ghuddah
Chairman of Sharia Supervisory Board



Dr. Sheikh Muhammad Bin Rashed Al-Gharbi
Member of Sharia Supervisory Board



Sheikh Ibrahim Bin Naser Al-Sawwafi
Member of Sharia Supervisory Board



Muscat, 06th of Safar, 1437H; equivalent to November 18, 2015.