

Certificate of Shariah Approval

Islamic Savings Account and **Term Deposit** at the Al Baraka Bank (Pakistan) Limited, (formerly Emirates Global Islamic Bank Limited) are based on the Islamic principle of Mudarabah.

The process flow under a Mudarabah arrangement is as follows:

- Al Baraka Bank (Pakistan) Limited herein referred to as the Mudarib and the depositors / customers herein referred to as the Rab ul Maal enter into a Mudarabah contract.
- Deposits from Rab ul Maal are allocated to a pool herein referred to as the deposit pool which is invested into Shariah compliant businesses and / or used to provide financing to the bank's customers under various Islamic modes in the hope of generating a profit.
- Profit / loss sharing is further explained below:

PROFIT SHARING

Between Mudarib (bank) and Rab ul Maal (participants of the deposit pool)

Net profits, if any, is distributed after the **end** of each month as per the pre-agreed ratio which is announced before the **beginning** of each month. However, if the ratios are not announced by the 5th of every month, previous month's ratios will prevail.

Among Rab ul Maal (participants of the deposit pool)

Net profits, if any, is distributed among the Rab ul Maal in the deposit pool on the basis of pre-determined weightages announced before the **beginning** of each month. However, if the weightages are not announced by the 5th of every month, previous month's weightages will prevail.

LOSS SHARING

Between the Mudarib (bank) and Rab ul Maal (participants of the deposit pool)

Losses, if any, are borne by the Rab ul Maal. The Mudarib goes unrewarded for his efforts in this arrangement.

Among Rab ul Maal (participants of the deposit pool)

Losses, if any, are distributed among the Rab ul Maal as per the ratio of their investment.

On the basis of above structure, the following products are being offered by the bank:

- ABPL PLS Savings Account
- ABPL Khazana Account
- ABPL Business Plus Account
- ABPL Term Deposits
- ABPL Mahana Amadani

The terms and conditions for the above mentioned products have been approved by the Shariah Advisor and that any changes / alteration will be subject to the Shariah Advisor's approval.

The Shariah Advisor has reviewed the process and confirms it to be within the ambit of Shariah.



Justice (R) Khalil ur Rehman

Shariah Advisor

Al Baraka Bank (Pakistan) Limited