

In the Name of Allah, The Beneficent, The Merciful

Date: 11 November 2016

**FATWA WITH RESPECT TO ISLAMIC FX FORWARD WA'AD AND
FX SWAPS PRODUCTS**

We, the undersigned, the scholars composing the National Bank of Fujairah PSC – Islamic Finance Division (“the Bank”) Shariah Supervisory Board (“SSB”) have been presented with the below mentioned structure and documents pertaining to the Islamic Forward Wa’ad and FX Swap Products (each the “Product”) for our Shariah review and approval.

The FX Forward Wa’ad product will involve a wa’ad (promise /undertaking) whereby the Promisor will undertake to offer to the Promisee to buy a certain quantity of an Islamic Asset (in this case, currency) for a certain exchange rate at certain date in the future (“Scheduled Settlement Date”) on spot payment basis. The exchange rate on the Scheduled Settlement Date is fixed and agreed by both parties on the date of the wa’ad execution day.

The FX Swap product meanwhile will involve the exchange of currencies (sarf) at the beginning and a wa’ad by the Promisor to carry out another saraf at a future date based on the rate determined on the wa’ad execution day. The Promisee has the right but not the obligation to accept the execution of the Promisor at the future date. At the future date, the second saraf will be implemented to get back the original currency. Payment of the currency exchanges must strictly be done on a spot basis.

In carrying out the said mandate, we have reviewed the Products’ Product Programme Guide (“PPG”) and their following legal documentation (the “Documents”) which are as follows:

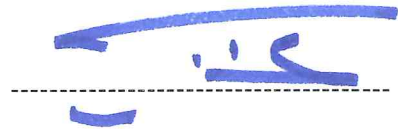
1. Master Purchase Undertaking;
2. Treasury Back Office Process Manual; and
3. Finance Procedure Manual;

Pursuant to our review of the above documentation, we are of the opinion that the Products are in compliance with Shariah principles.

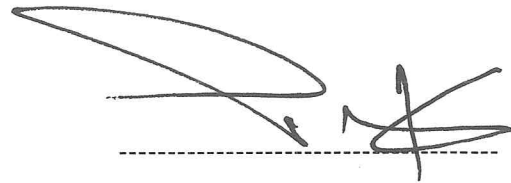
Allah Almighty knows best.

APPROVED BY:

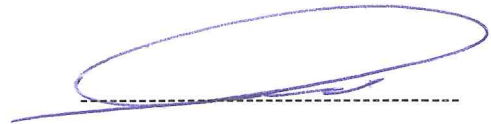
Dr. Mohamed Ali Elgari (Chairman)



Dr. Mohd Daud Bakar (Member)



Dr. Muhammad Amin Ali Qattan (Member)



Dr. Osama Al- Dereai (Member)

