

In the Name of Allah, The Beneficent, The Merciful

Date: 30th day of September 2014

FATWA WITH RESPECT TO ISLAMIC CREDIT CARD PRODUCT

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 Credit Card Product (“Product”) for our Shariah review and approval.

The Product is based on the Shariah concept of Commodity Murabahah. NBF, as the financier, will execute a Commodity Murabahah transaction with the Customer at the onset with the Customer’s credit card limit being the cost price of the commodities sold by NBF to the Customer for a tenor of 5 years i.e. equivalent to the credit card tenure. NBF, as agent to the Customer, will then sell the commodities at cost price to realize the cash proceeds for the usage of the customer throughout the entire credit card tenure. NBF may waive its entitlement to the Murabahah profit if the Customer pays his credit card bill within time, however, failure of the customer to do so will result on the bank claiming profit, as agreed from the Murabahah arrangement. NBF will also be entitled to charge late payment fee in the event that the Customer does not pay the minimum payment amount as set out in the Statement of the Bank.

We have reviewed the following documents (“Documents”) in relation to the Product:

Islamic Credit Card Product based on the Shariah concept of Commodity Murabahah:

1) Islamic Credit Card Product Programme Guide received in August 2014 and all attachments thereto namely:

- i. Application form;
- ii. Finance Procedure Manual;
- iii. System Change Specification Document;
- iv. Wakalah Agreement;
- v. Terms and Conditions;

NBF Islamic Credit Card Product

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