

*In the Name of Allah, The Beneficent, The Merciful*

Date: 15<sup>th</sup> of February 2018

**FATWA WITH RESPECT TO  
NBF ISLAMIC OVERDRAFT FINANCING BASED ON WAKALA AND COMMODITY MURABAHA**

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 Overdraft facility based on Wakalah and Commodity Murabaha (“the Products”) for our Shariah review and approval.

The NBF Islamic overdraft financing facility is combination of commodity Murabaha and Wakala transactions which mimics the cash flows of an over-draft. Under this product, NBF will allow commodity Murabaha to the customers and at the same time invest this money in the Wakala savings account of the customers. The customers will instruct NBF to use money in their Wakala account as margin against gold financing or for other business purposes. If the customers use all the money in their Wakala account for margin against gold financing or otherwise, then they will not earn any profit from it and will have to pay full profit of commodity Murabaha to NBF. The profit realized on the Wakala account will be used to offset the profit payable by the customer to NBF against commodity Murabaha.

We have reviewed the following documentation and its appendices (“Documents”) in relation to the Product:

1. Commodity Murabaha Facility Agreement;
2. Terms and Conditions of Wakala Saving Account based on Wakala Investment; and
3. Master Wakala Agreement.

Pursuant to our review of the above Documents and subject to the Product application as per the approved Documents therein, we are of the opinion that the Product is in compliance with the Shariah principles.

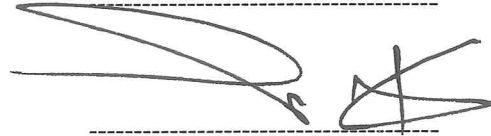
*Allah Almighty knows best.*

**APPROVED BY:-**

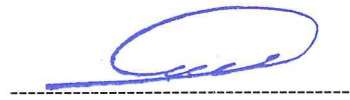
**Dr. Mohamed Ali Elgari** (Chairman)



**Dr. Mohd Daud Bakar** (Member)



**Dr. Muhammad Amin Ali Al-Qattan** (Member)



**Dr. Osama Al- Dereai** (Member)

