

al hilal bank مصرف الهلال



## SHARIAH COMPLIANCE CERTIFICATE

Issued by the Fatwa & Shariah Supervisory Board of Al Hilal Bank For  
"Covered Credit Card"

Based on Tawarruq

The Fatwa and Shariah Supervisory Board of Al Hilal Bank has thoroughly reviewed the terms and conditions, documents and structure underpinning the Covered Credit Card based on Tawarruq of which the modus operandi is as follows:

1. The customer submits an application to the bank, expressing his request for a Tawarruq based credit card and the credit limit he wishes to obtain.
2. Upon approval, the customer signs a commodity Murabaha agreement with the bank.
3. The commodity is then sold on spot payment basis to a third party on behalf of the customer.
4. The sale proceeds from the commodity Murabaha transaction are deposited in a special saving account of the customer as security for the payment of Murabaha Sale Price.
5. The bank allows the customer to use the above sale proceeds deposited in the special saving account only through the credit card.
6. The customer should pay back either 100% of the utilized amount or a part of it at the due date as per the agreement with the bank.
7. In case the customer uses 100% of the amount or a part of it and does not put it back at the agreed due date, the bank then will collect the profit on this amount as per the Murabaha agreement signed between them.
8. In case the customer does not use a part or all of the amount in the special saving account, the bank will invest the applicable amount for the customer. At the end of the applicable period, the bank will set off the Murabaha profit that the customer is supposed to pay to the bank under the Commodity Murabaha and the Mudaraba profit of the special saving account the bank is supposed to pay to the customer. The bank will waive its right to the excess Murabaha profit if any, however, it will deposit to the customer's account if there is any excess Mudaraba profit for the customer.
9. It is also possible for the bank to charge fixed annual charges against the services provided to the customer (card holder).

The Board hereby concludes that the terms and conditions, documents and structure pertaining to Covered Credit Cards based on Tawarruq as applied by Al Hilal Bank are in conformity with the Shariah rules and principles.

Dr. Abdulsattar Abughuddah  
Chairman

Sheikh Nedham Mohamed Yaqoubi  
Vice-Chairman

Dr. M. Abdulrahim Sultan Atolama  
Member

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