

**In the name of Allah, the Most Gracious, the Most Merciful**

**ISLAMIC TRANSACTIONAL COMMODITIES FINANCE (TCF)  
BY STANDARD CHARTERED BANK (PAKISTAN) LIMITED  
PRONOUNCEMENT OF THE SCBPL SHARIAH BOARD**

**All praise is due to Allah Almighty, the Cherisher of the World, and peace and blessing be upon the Holy Prophet of Allah on his family and all his companions**

The Shariah Board has reviewed the product documents, agreements and process relating to SCBPL Islamic TCF (erstwhile Structured Warehouse Finance).

Islamic TCF will provide access to Customer for financing in accordance with principles of Shariah. A brief outline of the product structure is given below:

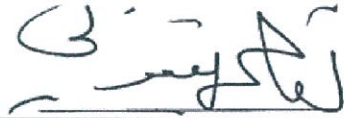
1. The Bank and Customer (exporter) sign a Master Murabaha Agreement under which the Customer agrees to purchase goods from SCB from time to time. The goods that will be purchased will be stored at a designated warehouse and the goods will remain under the ownership of SCB or as collateral depending on the agreement between SCB and the Customer.
2. The Bank and Customer also sign an Agency Agreement under which the Customer is appointed as an Agent of SCB to purchase goods on the Bank's behalf from time to time.
3. The Bank will also appoint a Collateral Management Company (CMC) to inspect and verify the designated storage facility where the Goods will be stored. CMC will also control the Goods on behalf of the Bank.
4. The Customer will approach the Bank for financing requirement and provide the details of the goods that it wishes to purchase.
5. Bank will then appoint customer to purchase goods as an undisclosed agent of the Bank. The Customer will purchase and deliver the goods to CMC.
6. The Bank accepts the goods deposited with CMC and approve the same. Bank will then make payment for the purchase of the goods.
  - a. In case Bank wishes to retain ownership the goods will kept under its ownership until an agreed deadline which the Customer will undertake to purchase. The Customer will approach the Bank to purchase or release the goods against cost plus profit.
  - b. In case the goods are to be stored as security, the Bank will sell the goods to the customer on deferred payment basis at an agreed profit upon a maturity date. The Customer will pay the cost plus profit at the maturity.

The Shariah board has reviewed the following documents:

1. Master Murabaha Agreement
2. Master Agency Agreement
3. Promise to Purchase
4. Collateral Management Agreement (Goods and Security structure)
5. Macadam Agreement (Goods and Security structure)

The Shariah Board hereby confirms that the Islamic Murabaha Finance allowed against Islamic TCF is in accordance with the principles of Shariah and Customers can take advantage of this facility which relieves them from interest based products.

And Allah Almighty knows best.



**Shaikh Nizam Yaqouby**  
Chairman Shariah Board



**Mufti Muhammad Abdul Mubeen**  
Member Shariah Board



**Mufti Irshad Ahmad Aijaz**  
Member Shariah Board



**Mufti Muhammad Abdullah**  
Resident Shariah Board Member

**SCBPL Shariah Board**  
Date: March 30<sup>th</sup> 2016