

بسم الله الرحمن الرحيم

Shari'ah Supervisory Board Declaration # (001)

Date: 16/07/1429 H

Date: 19/07/2008

ADCB Meethaq Liability Products

الحمد لله رب العالمين والصلاة والسلام على نبينا محمد وعلى آله وصحبه ، وبعد:

The Fatwa and Shari'ah Supervisory Board has reviewed the underlying Shari'ah compliant structure, contracts and documentation for Corporate and Retail Liability Products, which includes Current Accounts, Savings, Special Savings, Call Investment Account, and Term Investment Deposits for individual and corporate customers.

In a Current Account the bank guarantees the cash deposit thus creating a 'Wadi'ah Bed-Dhaman' contract relationship with the account holder. The deposit is neither entitled to profit nor does it bear risk (other than a credit risk on the Bank). A credit balance in the Current Account is a Qard Al Hassan (loan without interest).

Mudaraba based Savings, Special Savings, Call Investment Account and Term Investment Deposit accounts are conceptually partnership accounts where the Bank acts as Mudarib (Investment Manager), while the Client acts as the Rab Al Maal (provider of finance with no management responsibility). Deposited funds are invested in attractive business opportunities that conform to Shari'ah principles. The resultant profits are shared according to a predetermined ratio between the Bank and the Clients based on weighted amounts and tenors of investments; and banking services fees are charged in compliance with the established Shari'ah guidelines. Profits are declared and paid quarterly to customers. Financial loss, if any, is borne by the Client (Rab Al Maal), the provider of funds. The Bank (Mudarib) bears the risk of losing its Mudarib fee in case of loss.

The Shari'ah Supervisory Board has reviewed the following documents:

- The booklet "Terms and Conditions for Shari'ah Compliant Account Operation"
- Excel Module and Mechanism for Profit Distribution between Shareholders and Depositors
- Financial Transaction Modules for Liability Products

The Shari'ah Supervisory Board hereby rules that the contract, structure and documentation for the ADCB Meethaq Liability Products are in compliance with the rules and principles of the Shari'ah.

Kindly abide by it.

Hassan

Sheikh Dr. Hussein Hamid Hassan
Chairman

