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

**ISLAMIC HOME FINANCE FACILITY BY STANDARD CHARTERED BANK
PRONOUNCEMENT OF THE SCB SHARIAH SUPERVISORY COMMITTEE**

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

The Shariah Supervisory Committee (Committee) has reviewed and approved the following agreements relating to SCB's Islamic Home Finance Facility for fully constructed and under construction properties:

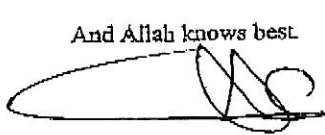
- Promise to Lease (Fully Constructed Property)
- Promise to Lease (Under Construction Property)
- Ijarah Agreement (Fully Constructed Property)
- Ijarah Agreement (Under Construction Property)
- Service Agency Agreement (Fully Constructed Property)
- Service Agency Agreement (Under Construction Property)
- Purchase Undertaking
- Sale Undertaking

Islamic Home finance facility is based on Ijarah concept. Whereby bank will take ownership of property and rent it to customer. A brief outline of the product structure is given below:

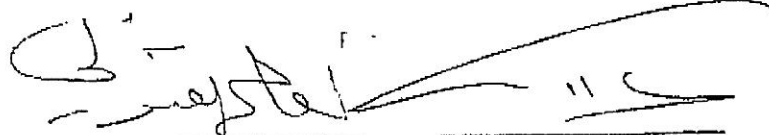
1. Customer identifies a property and requests bank for its financing
2. Bank purchases the property and from its current owner. For under construction property bank enters into purchase agreement with the developer and delivery of the property is deferred till construction.
3. Bank leases the property to the customer for an agreed tenor on which customer pays periodic rentals. For under construction property bank enters into forward lease agreement with customer. The lease commences once the property is fully completed and delivered to the customer. Any rental paid by the customer to the bank during construction period is in advance which is adjusted against the rental payments once the lease commences.
4. Based on an agreed understanding between the bank and the customer, the rental payments are revised periodically.
5. At the end of the lease tenor bank transfers the ownership of the property to the customer through a sale agreement and the customer gets the ownership of the property.

The committee hereby rules that the Islamic Home Finance Facility is in accordance with the principles of Shariah and customers can take advantage of this facility, which relieves it from interest-based products.


And Allah knows best.



Dr. Abdul Sattar Abu Ghuddah
Shariah Adviser
SCB Shariah Supervisory Committee
October 2008



Sheikh Nizam Yaquby
Shariah Adviser



Dr. Mohamed Ali Elgari
Shariah Adviser