

In the Name of Allah, the Merciful, the Compassionate

Fatwa of Shari'a Supervisory Board on

Investment Wakala Account

All praise to Allah and May peace and blessings be upon His messenger, his family, his companions and all followers of his guidance.

On Monday the 09-Jamada al-Awwal-1443AH that corresponds to December 13, 2021, the Shari'a Supervisory Board (SSB) of Ahli Islamic, Ahli Bank SAOG (the "Ahli Islamic/Bank") issued Shari'a pronouncement of Ahli Islamic Investment Wakala Deposit Accounts, which details are as follows:

SSB Opinion:

The SSB opines that investment Wakala is to delegate another person to invest funds into Sharia compliant business against a remuneration or without remuneration, as it is permissible in Sharia. From Sharia point of view, it is permissible that the investment Wakala is limited to specific kind of investment or specific place. Investment Wakala can be absolute or customarily restricted whichever is beneficial for Muwakkil and Wakil.

Under the investment agency product, Ahli Islamic, acts as Wakil, to invest capital of the client (Muwakkil), and Ahli Islamic undertakes to invest the funds of the investors (i.e., depositors) on their behalf in transactions that comply with the Sharia rules and principles.

The Wakil is entitled to fees that may be a specific amount collected separately or taken from the return that is finally settled with the Muwakkil. And it is permissible that Wakil fee is the amount over to expected profit or a share of that. A certain share of the expected profit may be added to the specific fee of the agent as a motivation. Also the agency may be without a remuneration and the parties agree that over to expected profit on the investment will be taken by Wakil as incentive. The agent acts in a fiduciary capacity in relation to the investment and there is not liable for any loss in cases other than willful misconduct, negligence, or breach of Wakala contract.

The SSB reviewed the structure and terms and conditions of the following Ahli Islamic products and the SSB confirms that these products comply with rules and principles of Sharia:

- Investment Wakala for call Account.
- Investment Wakala for fixed deposit.
- Investment Wakala for Al Qimah Account.

Investment Wakala product may be applied in SME, Corporate and Retail for short, medium and long time deposit accounts based.

And Allah knows what is right.

Sharia Supervisory Board

Dr. Mohammed Taher Al-Ibrahim (Chairman of SSB)

Dr. Mustain Ali Abdul Hameed (Deputy Chairman of SSB)

Dr. Abdul Raouf Abdullah Al-Tobi (SSB Member)