



In the Name of Allah, The Most Beneficent, The Most Merciful

28 August 2023

FATWA WITH RESPECT TO THE IJARAH HOME FINANCING PRODUCT OFFERED BY AMANAH ISLAMIC FINANCE AUSTRALIA PTY LTD

We, the Shariah Supervisory Board of Amanah Islamic Finance Australia Pty Ltd have been presented with the Amanah Ijarah Home Financing Product based on the Shariah contract of Ijarah Mun Tahia Bi Tamleek. There are legal and tax impediments for an Ijarah under Australian law.

The Ijarah Home Financing product will operate as follows;

1. Amanah arranges for the Financier to enter into an Ijarah Financing Agreement with the Customer.
2. The Financier appoints the Customer as its purchasing and custody agent for the acquisition of the Financed Property.
3. The Financier undertakes to the Customer that in the event that he makes all payments due under the Lease to sell the Financed Property to the Customer for the nominal sum of AUS \$635.
4. The Customer undertakes to the Financier that in the event that he wishes to terminate the Ijarah Financing Agreement, the Customer will be liable to pay an amount equal to the balance of its account immediately to purchase the Financed Property from the Financier.
5. The Customer will accept a consideration of AUD \$100 to perform these services for the Financier.
6. The Customer, upon receipt of financing will acquire the property from the Vendor on behalf of the Financier and will register his interest in the property with the appropriate authorities and be responsible for all taxes on same as if he was the legal and beneficial owner of the Financed Property.
7. Customer will **not** execute a lease (as defined under Australian law) with the Financier. He will take possession of the Property and pay rent pursuant to the offer and Ijarah financing agreement only. Australian consumer protection laws will automatically apply to the Ijarah Financing Agreement. The National Consumer Credit Protection Act ("NCCP") will automatically apply to prescribe compulsory clauses and imply certain terms into the contract. NCCP will require that mandatory disclosures be made.
8. The Customer will pay the rentals to the Financier.
9. The Customer has the following options for rental rates:
 - (a) A Fixed Rate: customer chooses a term from 1 to 5 years for a fixed rate. After the term, the Customer will receive a quote for a fixed rate or a variable rate. He may choose either option and enter into a fresh Ijarah Financing Agreement concerning the property with the Financier or reject same and

terminate the facility and pay the exercise price due under the Purchase Undertaking

(b) A Variable Rate: the rental payments are calculated by reference to an independent benchmark being the RBA cash rate. Any changes to the rate are in line with movements in that benchmark and subject to a four-week notice period.

The transaction documents for the Product ("**Transaction Documents**") are as follows:

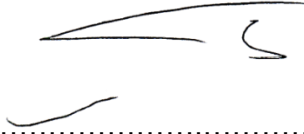
1. Updated Agency Sale and Purchase Undertaking
2. Updated Ijarah terms and conditions;

Pursuant to the above, we, the undersigned scholars comprising of the Amanie SSB have reviewed the Product structure and the Transaction Documents and hereby confirm that all are compliant with the principles of Shariah.

This endorsement is subject to annual review by the SSB to ensure that the legislative framework that it is designed to interact with remains in place. The SSB may wish to amend same at a future date in the event that the law in Australia is amended to cater for Islamic finance transactions.

Allah almighty knows best

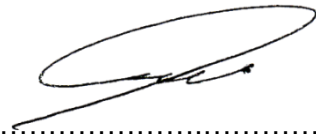
EXECUTED BY:-



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Dr Mohamed Ali Elgari
Chairman



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Dr. Mohd Daud Bakar
Executive Member



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Member



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