



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

17 January 2018

**PRELIMINARY SHARIAH APPROVAL IN RELATION TO GULF INTERNATIONAL  
BANK B.S.C's USANCE PAYABLE AT SIGHT LETTER OF CREDIT STRUCTURE**

I, Dr. Mohd Daud Bakar, acting as Executive Member of the Gulf International Bank B.S.C. ("GIB")'s Global Shariah Supervisory Board ("GSSB"), have been presented with the proposed Usance Payable At Sight ("UPAS") Letter of Credit (the "Product") structure to be developed by GIB for my preliminary Shariah review and approval.

The summary of the proposed structure is as follows:-

1. GIB appoints Buyer its agent for import of the goods identified by the Buyer;
2. Buyer imports the goods on the basis of Usance Letter of Credit opened by GIB;
3. GIB sells the same goods to Buyer under a Murabaha (or Musawamah) agreement at cost price on deferred payment basis (the Usance period);
4. GIB pays to Supplier upfront net of the discount proceeds; and
5. Buyer pays to GIB the full amount upon lapse of the Usance period.

Pursuant to the review, I, Dr Mohd Daud Bakar, as Executive Member of the GSSB, hereby give preliminary approval for the Product structure. The final approval from the GSSB shall be issued in due course upon completion of the Product's legal documentation.

*Allah Almighty knows best.*

**DR MOHD DAUD BAKAR**

Executive Member  
GIB Global Shariah Supervisory Board