For Murabaha Facility Agreements using TERM SOFR – SC

Sharia Committee Decision Number: (139/107) 03-12-2024

TYPE OF RESOLUTION:	Approved unanimously
PRODUCT RELATED:	Project finance

All praise is due to Allah, and Peace and Blessing be upon the Prophet of Allah, his Family and all his Companions.

The Sharia Committee at the Saudi Investment Bank reviewed the “Murabaha Facility Agreements using TERM SOFR". The bank intends to participate via investment agent with SC according to the terms and conditions of the agreements. The Murabaha mechanism is based on commodities Tawarruq using TERM SOFR, Which ensures that the price is known at the time of Murabaha execution, using the following documentation:

1. Islamic Facility Agreement
2. Islamic Purchase Undertaking
3. Islamic Investment Agency Agreement

After reviewing and studying the agreements, the committee noticed that agreements are drafted in line with AAOIFI Sharia standards and approved the documents.

Allah Knows best.