

Mufti Ismail Ebrahim Desai,  
MA, Islamic Finance, Shariah Advisor

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Re: Official Fatwa – Lendcor (PTY) LTD

I mufti Ismail Ebrahim Desai, in my capacity as Shariah Advisor hereby wish to advise the Public that the Lendcor Intermediate Shariah Development Housing Product is Shariah Compliant. The product is based on the principles of Murabaha financing. Therefore all the rules of Murabaha will be applicable to the product.

The client approaches the store and requests specific goods. The store then submits the requests on behalf of the client to Lendcor. Lendcor purchases the goods from the store and re-sells the goods to the client at a fixed mark up. The goods are then possessed by an agent of Lendcor before transferring such goods to the client. The client is not allowed to possess the goods and then conduct a transaction with Lendcor. Lendcor possesses and owns the goods before transferring both to the client by means of a purchase and sale agreement with a fixed mark up. All penalty charges will be dispensed to an approved charity and also used to cover legitimate administrative expenses.

Yours sincerely

Mufti Ismail Ebrahim Desai  
Shariah Advisor, Lendcor  
05/05/2016

The Shar's ruling herein given is based specifically on the investment product in reference as per our understanding and information received.

Mufti Ismail Ebrahim Desai bears no responsibility to any party who may or may not act on this answer and is being hereby exempted from loss or damage howsoever caused.

This document may not be used as evidence in any Court of Law without prior written consent of Mufti Ismail Ebrahim Desai.