FINAL EXAM
FIRST SEMESTER SESSION 2012/2013

COURSE CODE / NAME: BWBS3043 ISLAMIC BANKING MANAGEMENT
DATE: 30 DECEMBER 2012 (SUNDAY)
TIME: 9.00-11.30 AM (2 ¼ HOURS)
VENUE: DTSO, PMI

INSTRUCTION:
1. This question paper contains FIVE (5) questions in THREE (3) printed pages excluding the cover page.
2. Answer ALL questions in the answer booklet provided.

MATRIC NO: ____________________________ (with word)

IDENTIFICATION CARD NO: ____________

LECTURER: ____________________________

GROUP: □

TABLE NO.: ____________

DO NOT OPEN THIS EXAMINATION PAPER UNTIL INSTRUCTED

CONFIDENTIAL
QUESTION ONE (20 MARKS)

1. All commercial banks and other licensed financial institutions in Malaysia are regulated under the BAFIA (Banking and Financial Institutions Act). Elaborate TWO (2) important roles of BAFIA.  
(6 marks)

2. Give THREE (3) differences between *riba al-nasiah* and *riba al-fadl*.  
(6 marks)

3. State FOUR (4) differences between profit and *riba*.  
(8 marks)

QUESTION TWO (20 MARKS)

1. Briefly differentiate between *Bay Al-Muajjal* and *Bay Al-Istina‘*.  
(4 marks)

2. “Ramli leases his house to Burhan for a total period of 8 years. The rent for the first year is fixed as RM 500 per month. The rent for the subsequent years shall be fixed each year at the option of the lessor”. In your opinion, is this lease valid? Explain your answer.  
(2 marks)

3. *Bay’ Al-Inah* contract has been widely used in Malaysia as an important Islamic banking product such as Islamic credit card.
   
i) Briefly define *Bay’ Al-Inah*  
(4 marks)

   ii) Using an appropriate diagram, explain the mechanism of *Bay’ Al-Inah* for charge card service.  
(8 marks)

4. Briefly define *Kafalah* contract.  
(2 marks)
QUESTION FIVE (20 marks)

1. Give **FOUR (4)** conditions of Al-Rahnu transaction  
   (8 marks)

2. State at least **THREE (3)** procedures used by Bank Rakyat Malaysia Berhad in operating their Al-Rahnu Scheme and **TWO (2)** advantages of this Scheme.  
   (7 marks)

3. Laws and Regulations of Islamic Banking System must be shariah compliant in order to fulfill the maslahah of the Ummah.

   (i) List **TWO (2)** types of laws that Islamic banks have to conform to.  
       (2 marks)

   (ii) There are four main sources of Syariah Law. Al-Quran is one of the important sources. Explain **TWO (2)** roles of the Quran as the main sources of the Shariah.  
        (3 marks)

END OF QUESTIONS