



بيت البورصة
BAIT AL BURSA

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Introducing Bait Al Bursa

Bait Al Bursa, an Islamic division of the Bahrain Financial Exchange (BFX), is the first dedicated platform in the region offering exchange traded solutions to the Islamic finance market. Bait Al Bursa signifies the 'Home of Exchanges' and symbolises the BFX's vision of providing a single venue for all exchange traded business in the Islamic finance sector. Bait Al Bursa aims to create a new standard in Islamic finance with the introduction of innovative Shariah-compliant exchange traded financial products. Located in the Kingdom of Bahrain, Bait Al Bursa is strategically positioned to service the MENA region, the West and the Far East.

e-Tayseer: the next stage in Murabaha transactions

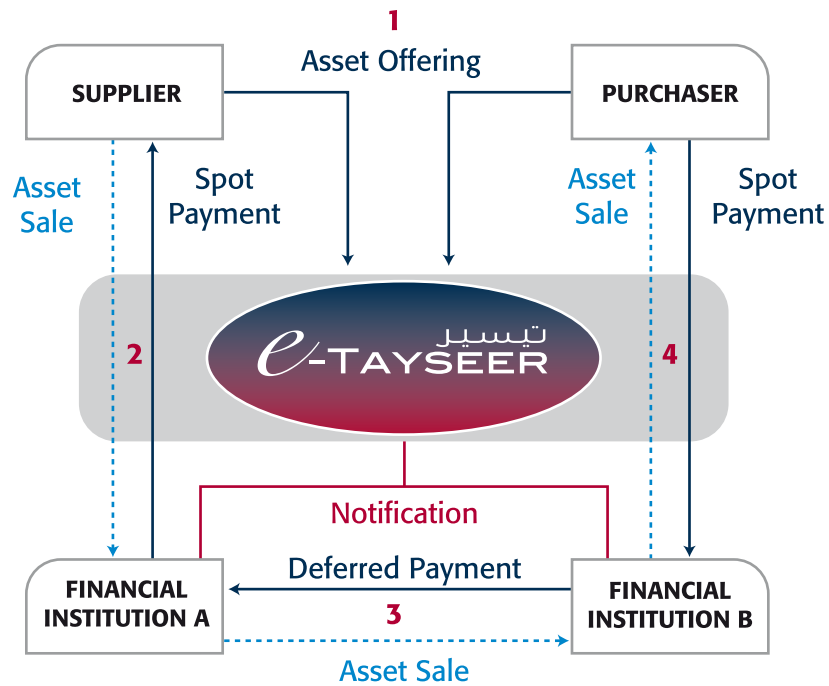
- e-Tayseer, the first of Bait Al Bursa's products, is a fully automated platform for transactions in the supply, purchase and sale of assets for facilitating Murabaha transactions and is the first of its kind in the region.
 - e-Tayseer allows Suppliers to place assets onto the platform ready to be purchased by Registered Users (financial institutions). Registered Users can then purchase and use these assets as the underlying for their Murabaha transactions, and counterparties can meet their liquidity management requirements in a secure online environment.
 - e-Tayseer is unique in the fact that it will offer various Shariah-compliant assets located in the MENA region as well as globally.
 - With advanced automated features, e-Tayseer will streamline the scheduling and execution of Murabaha transactions and afford its users the benefit of reduced trade cycles and manual paperwork procedures.
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Bahrain Financial Exchange

The Bahrain Financial Exchange (BFX) is a pioneering cross border and multi-asset exchange in the Middle East and North Africa, being internationally accessible to trade cash instruments, derivatives, structured products and Shariah-compliant financial instruments. Regulated by the Central Bank of Bahrain (CBB) and underpinned by the BFX Clearing and Depository Corporation (BCDC), the BFX is well positioned to become the leading exchange venue in the Middle East to trade, clear and settle the contracts it trades.

The BFX is a wholly owned subsidiary of the Financial Technologies Group which is a global leader in creating and operating technology centric, next-generation financial markets.

e-Tayseer Transaction Flow



- 1.** Supplier and/or Purchaser make assets available to be purchased by Financial Institutions.
- 2.** Financial Institution A (FI A) places a bid on e-Tayseer specifying the value amount, value date and preferences of Supplier, asset class and storage location. e-Tayseer will then match assets to the value of the transaction and create a Tradable Asset Certificate (TAC) representing ownership of these assets. Confirmations will be created and exchanged electronically with a fund transfer taking place.
- 3.** FI A can then sell the TAC to Financial Institution B (FI B) on a deferred payment obligation. FI A then informs e-Tayseer of the sale, then ownership of the TAC and its committed assets will be transferred to FI B.
- 4.** FI B can then sell the TAC to the Purchaser. Upon exchange of confirmations, the ownership of the TAC and its committed assets will be transferred to the Purchaser, and funds will be transferred to the account of FI B.

At any stage of the above transaction cycle, the owner of the TAC can request delivery of the assets committed to that particular TAC ensuring Shariah compliancy at all times.



e-Tayseer: bringing innovation to Murabaha transactions

e-Tayseer offers a sophisticated Shariah-compliant liquidity management solution through a bespoke automated exchange platform. The first of its kind in the MENA region, its key benefits include:

Automation

e-Tayseer is a fully automated Shariah-compliant solution designed to manage the buying and selling process of assets, from inception to completion.

Multi-Currency and Multi-Asset

e-Tayseer offers multiple Shariah-compliant assets such as cars, car parts, industrial equipment, soft commodities and metals to name a few which are securely stored and ownership can be easily transferred.

Straight Through Processing

The entire trade process is conducted electronically without the need for re-keying of data or manual intervention.

Time

Through e-Tayseer, the average duration of a liquidity management transaction is reduced significantly in comparison to the current market practice.

Convenience

All bids are placed electronically, and confirmations are created and sent electronically, therefore reducing the time and resources spent on emails, phone calls and faxes between the different transacting parties.

Secure

Financial institutions can be assured that all transactions on e-Tayseer are protected via state-of-the-art encryption and password processes while allowing access to e-Tayseer from any computer with an internet connection.

Transparent

Both financial institutions are involved in the overall process with the Purchaser and the Supplier. All transactions and respective audit trails are stored electronically for any future usage.

Ratings Intelligence (RI)

RI is the Shariah advisor to the BFX providing guidance and support in the development of Bait Al Bursa's Islamic products and ensuring the high expectations of this discerning market are met. Based in London, Kuwait and Bangalore, RI has assembled a world-class Shariah Advisory Board containing prominent and well respected scholars who are experienced in the application of Shariah to innovative financial products and services.

The Shariah Advisory Board consists of:

Dr. Muhammad Ali El-Gari of Saudi Arabia, Chairman

Dr. El-Gari is an Associate Professor of Islamic Economics and a Deputy Director of the Centre for Research in Islamic Economics at the King Abdulaziz University in Saudi Arabia. Dr. El-Gari is also part of the Shariah board for National Commercial Bank - Saudi Arabia, Citi Islamic Bank - Saudi Arabia, Saudi American Bank - United Kingdom, Saudi British Bank - United Kingdom and Dow Jones Islamic Index - United States. He is an experienced editor for the Review of Islamic Economics - London (Journal of the International Association of Islamic Economics) and holds a Ph.D in Economics from the University of California - USA.

Dr. Abdul Sattar Abu Ghuddah of Syria

Dr. Ghuddah holds a license in Islamic Law from Damascus University, as well as a PhD in Islamic Law from Al Azhar University and a MSc in Islamic Law and Hadith. He is a Shariah Advisor for several Islamic financial institutions including the Al-Baraka Islamic Investment Bank - Bahrain, Dow Jones Islamic Index - USA, Al-Tawfeek Co. - Saudi Arabia, and the Saudi American Bank - United Kingdom. Dr. Guddah is also an advisor for the Islamic Law Encyclopaedia (Kuwait Awqaf Ministry).

Dr. Nazih Hammad of Canada

Dr. Hammad is a former professor at the college of Shariah Um Alqura University, Makkah Al Mukkarmah where he taught for 17 years. He is a member of the Islamic Fiqh Academy - Saudi Arabia (Organisation of Islamic Countries) and holds a PhD in Islamic Law from the University of Cairo - Egypt. Furthermore, Dr. Hammad is on the Citi Islamic Investment Bank - Bahrain and Permal Asset Management - USA Shariah boards.

Dr. Mohammad Amin Ali Qattan of Syria

Dr. Qattan has written and presented many articles and papers, nationally and internationally on Islamic Economics, Banking and Finance and was a researcher in Islamic Economics at the Amiri Diwan (96-97), Qatar. He is an experienced Shariah controller and held a position with Al-Mal Islamic Investment Company 1999 – 2000. Dr. Qattan holds a PhD in Islamic Banking, 'Shariah Control Committees in Islamic Banks' from the University of Birmingham, United Kingdom.

Shariah Advisory Board

Financial Technologies Group (FT Group)

Bait Al Bursa is an Islamic division of the BFX. The BFX is parented by and is a wholly owned subsidiary of the Financial Technologies Group which is a global leader in creating and operating technology centric, next-generation financial markets. The FT Group is an Indian multi-national company headquartered in Mumbai, India. It owns and operates one of the largest network of exchanges in the world, consisting of 5 international exchanges and 5 Indian exchanges.

Bahrain Financial Exchange Training Institute (BFX-TI)

Complementing the BFX's offerings, the BFX has established the Bahrain Financial Exchange Training Institute (BFX-TI) which is a global standard training institute providing internationally accredited programmes in conventional and Islamic financial training, along with education courses for both individuals and corporate clients.

The BFX-TI utilises a 360° consultative approach to training needs within a variety of disciplines including conventional and Islamic finance, leadership, soft skills and accounting which can be tailored according to clients' needs. Carefully designed to align personal aspirations with corporate goals, the programmes focus on the areas of global securities operations, securities and investment, wealth management, Islamic finance, exchange-traded derivatives, operational risk, corporate governance and principles of financial regulation.

The BFX-TI qualifications are fully accredited by the Institute of Leadership and Management (UK), Chartered Institute for Securities & Investments (UK), Financial Technologies Knowledge Management Company (India), the Institute of Credit Management (UK), the Institute of Internal Auditors (USA) and the Association for Financial Professionals (USA).

Affiliations

The BFX and Bait Al Bursa are proud to be associated with the following organisations:



International Islamic Financial Market (IIFM)

IIFM is the global standardisation body for the Islamic Capital & Money Market segment of the Islamic Financial Services Industry (IFSI). Its primary focus lies in the standardisation of Islamic products, documentation and related processes.

Accounting & Auditing Organization
for Islamic Financial Institutions



هيئة المحاسبة والمراجعة
للمؤسسات المالية الإسلامية

Accounting and Auditing Organisation for Islamic Financial Institutions (AAOIFI)

AAOIFI is the industry organisation that develops and issues international standards on accounting, auditing, governance, ethics and Shariah for the global Islamic finance industry.

General Council for Islamic
Banks And Financial Institutions



المجلس العام للبنوك
والمؤسسات المالية الإسلامية

General Council for Islamic Banks and Financial Institutions (CIBAFI)

CIBAFI is an international not-for-profit organisation established in Bahrain under the Ameer Decree No. (23) in 2001. CIBAFI supports and promotes the Islamic Financial Services Industry (IFSI).