



جامعة السلطان الشريف علي الإسلامية
UNIVERSITI ISLAM SULTAN SHARIF ALI
SULTAN SHARIF ALI ISLAMIC UNIVERSITY

Faculty of Shariah and Law
Semester II, 2015/2016 Academic Session

Final Examination Question Paper

Course Code : LS 5306
Course Name : Islamic Banking and Takaful
Course Level : Bachelor of Laws (LL.B) & Bachelor of
Shariah Laws (BSL)
Time : 3 hours

Notes:

1. Answer all questions.
2. Answer all questions in the answer booklet provided.

QUESTION 1 (10 Marks)

Write **true** or **false**:

1. BBA and *Murabahah* are similar in nature but have some differences in practice. ()
2. *Muzara'ah* and *Musaqat* are similar in nature. Both transactions are dealing with watering the farm and garden ()
3. Waqf is an “Unilateral Transaction” ()
4. Price control is prohibited totally at any level and from anybody because they are considered harmful to the people (traders and customers) ()
5. Actually, riba is considered as *haram* when it changes to multiplied riba. When the increase is not multiplied by the original loan, it is still considered *halal* in Islamic Banking today ()
6. There are two types of transaction in Islamic Law namely, *Tabarru'* and *Hibah* ()
7. “Riba Jahilliyah” is the increase levied on the borrowers for late repayment or failure to repay the loan ()
8. Riba is applied by money changers today when the different rate of changing money happened between them ()
9. When a person sells his pigeon that is flying in the sky and a buyer can see the pigeon, the transaction is accepted by Islamic law because the buyer knows what he actually wants to buy. ()
10. There is a huge difference between *al-Ghurm* and *al-Gharar* in Islam. *Al-Ghurm* is risk in riba outcomes while *al-Gharar* is uncertainty in contractual agreement that leads to ambiguity ()

11. Malaysia is considered the first country in this region that enacted “Act” regarding the “*Takaful*” and Islamic Insurance ()
12. In “*Takaful*” nowadays, re-insurance is considered permissible by modern Muslim jurists because it can be exempted through the principle of “harm is measured by their degree.” ()
13. Lotteries are prohibited in Islam because they are considered as *riba* ()
14. Nowadays, most of the vehicle loan in Islamic Banking are using the BBA contract ()
15. Credit Card in Brunei Darussalam is using the *Al-Ijarah* and *Al-Wakalah* contracts, while Islamic Banking in MENA is using the *Al-Hiwalah* ()
16. There are more than one transactions in aqad of *Al-Ijarah al-Mutanaqisah* ()
17. A Cooperative model of takaful is practiced by the government in some countries ()
18. Hybrid model of takaful is using more than one transactions; namely *Zamalah* and *Wakalah* ()
19. Re-takaful is when a takaful company reduces its risk of paying large claims by insuring a portion of its risk with another insurance companies ()
20. Islamic Bank of Britain (IBB) is the only bank that offers Islamic Banking system in the UK ()

QUESTION 2 (10 Marks)

Explain the following Islamic transaction terms:

1. *Sarf*
2. *Bay' bi Thamanin 'Ajil*
3. *Muzara'ah*
4. *Salam*
5. *Gharar*
6. Co-operative *takaful*
7. *Riba al-Buyu'*
8. *Aqilah*
9. Family Islamic Insurance
10. *Sighah* in Islamic 'Aqd

(1 mark each)

QUESTION 3 (40 Marks)

1. Explain the historical development of the Islamic Finance in Brunei Darussalam until today.

(5 Marks)
2. Currently, there are various types of the Islamic Finance that are implemented in many countries and areas in this world. What are those countries and areas and state reasons why they differ from each other.

(5 Marks)
3. How does the Islamic Finance System develop in the modern days (exclude Negara Brunei Darussalam)? Explain it's historical developments by stating examples.

(5 Marks)

4. There are several “Acts” and “Laws” in Brunei Darussalam governing the finance activities. Discuss one of them. Explain how does it affect the society.

(5 Marks)

5. “The flexibility of Shariah is one of the special characteristic of Islam”.

Discuss

(5 Marks)

6. *Takaful* is difference from conventional insurance. What is the core differences between both and in which area it happened in conventional insurance ?

(5 Marks)

7. State one example in Brunei’s Court case related to the financial problem.

Explain what is the problem? and how the judge solves this problem.

(10 marks)

بالتوفيق والنجاح