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Professional Certificate in Islamic Financial Planning Quantitative Finance

## Shariah Compliance in Financial Planning

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Aasir is a type of Shariah-compliant investment where the investor provides capital to an entrepreneur or business, and in return, receives a percentage of the profits. Aasir is often used in Islamic financing to promote entrepreneurship and economic growth. Related terms include Mudarabah and Musharakah, which are also Shariah-compliant investment structures.

Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) is a regulatory body that sets standards for Islamic financial institutions. AAOIFI provides guidelines for Shariah compliance, accounting, and auditing practices in Islamic finance. Related terms include Islamic Financial Services Board and Shariah Supervisory Board.

Akad is an agreement or contract that outlines the terms and conditions of a Shariah-compliant transaction. Akad is used in various Islamic financial products, including Murabahah and Ijarah. Related terms include Shariah-compliant contract and Islamic financing agreement.

Arbitrage is a financial strategy that involves taking advantage of price differences between two or more markets. In Islamic finance, arbitrage must be conducted in a Shariah-compliant manner, avoiding riba and other prohibited practices. Related terms include hedge funds and risk management.

Asset-backed financing is a type of financing where the loan is secured by an underlying asset. In Islamic finance, asset-backed financing is used in Murabahah and Ijarah transactions, where the asset is used as collateral. Related terms include collateralized financing and secured lending.

Bai Al-Inah is a type of Shariah-compliant sale where the seller sells an asset to the buyer on a deferred payment basis, and then the buyer sells the asset back to the seller at a lower price. Bai Al-Inah is often used in Islamic financing to promote liquidity and credit availability. Related terms include Islamic financing techniques and Shariah-compliant sales.

Bai Bithaman Ajil (BBA) is a type of Shariah-compliant sale where the seller sells an asset to the buyer on a deferred payment basis. BBA is often used in Islamic financing to promote credit availability and liquidity. Related terms include Islamic financing techniques and Shariah-compliant sales.

Bai Muajjal is a type of Shariah-compliant sale where the seller sells an asset to the buyer on a deferred payment basis. Bai Muajjal is often used in Islamic financing to promote credit availability and liquidity. Related terms include Islamic financing techniques and Shariah-compliant sales.

Bai Salam is a type of Shariah-compliant sale where the seller sells an asset to the buyer before the asset is available. Bai Salam is often used in Islamic financing to promote agricultural and commodity trading. Related terms include Islamic financing techniques and Shariah-compliant sales.

Capital Adequacy Ratio (CAR) is a measure of a financial institution's capital adequacy. In Islamic finance,

CAR is used to ensure that financial institutions have sufficient capital to cover risk and losses. Related terms include Basel Accords and regulatory requirements.

Charity is a fundamental concept in Islamic finance, where a portion of an individual's or institution's wealth is donated to zakat and other charitable causes. Charity is considered a way to promote socioeconomic justice and fairness. Related terms include zakat and waqf.

Commodity Murabahah is a type of Shariah-compliant financing where a financial institution purchases a commodity and sells it to a customer at a marked-up price. Commodity Murabahah is often used in Islamic financing to promote liquidity and credit availability. Related terms include Islamic financing techniques and Shariah-compliant sales.

Credit risk is a type of risk that arises when a borrower defaults on a loan. In Islamic finance, credit risk is managed through collateral and guarantees. Related terms include risk management and credit assessment.

Dana Gas is a type of Shariah-compliant investment where investors provide capital to a company, and in return, receive a percentage of the profits. Dana Gas is often used in Islamic financing to promote energy and infrastructure development. Related terms include Islamic financing techniques and Shariah-compliant investments.

Dhimmi is a term that refers to a non-Muslim living in a Muslim-majority country. In Islamic finance, Dhimmi is used to describe a non-Muslim individual or institution that participates in Shariah-compliant transactions. Related terms include Islamic law and Shariah principles.

Dinar is a unit of currency used in some Muslim-majority countries. In Islamic finance, Dinar is used as a medium of exchange and store of value. Related terms include gold and silver standards.

Dow Jones Islamic Market Index is a benchmark for Shariah-compliant investments. The index tracks the performance of Islamic stocks and bonds that comply with Shariah principles. Related terms include Islamic investing and Shariah-compliant investments.

Fatwa is a legal opinion issued by a Shariah scholar or authority. In Islamic finance, Fatwa is used to determine the Shariah compliance of a financial product or transaction. Related terms include Shariah board and Islamic law.

Fiduciary duty is a legal obligation that requires a financial institution to act in the best interests of its clients. In Islamic finance, fiduciary duty is considered a fundamental principle of trust and integrity. Related terms include agency theory and stewardship.

Financing is a process of providing funds to an individual or institution. In Islamic finance, financing is conducted through Shariah-compliant methods, such as Murabahah and Ijarah. Related terms include Islamic financing techniques and Shariah-compliant loans.

Fintech is a term that refers to the use of technology in financial services. In Islamic finance, Fintech is used to promote innovation and efficiency in Shariah-compliant financial products and services. Related terms

include digital banking and mobile payments.

Gharar is a concept in Islamic finance that refers to uncertainty or ambiguity in a financial transaction. Gharar is considered a prohibited practice in Islamic finance, as it can lead to exploitation and unfairness. Related terms include Shariah principles and Islamic law.

Hawala is a system of informal funds transfer that is commonly used in Muslim-majority countries. In Islamic finance, Hawala is considered a Shariah-compliant method of transferring funds, as it does not involve riba or other prohibited practices. Related terms include remittances and cross-border payments.

Ijarah is a type of Shariah-compliant leasing where the lessor leases an asset to the lessee for a specified period. Ijarah is often used in Islamic financing to promote asset utilization and efficiency. Related terms include Islamic financing techniques and Shariah-compliant leases.

Ijma is a concept in Islamic finance that refers to the consensus of Shariah scholars on a particular issue. Ijma is considered a fundamental principle of Shariah and is used to determine the Shariah compliance of a financial product or transaction. Related terms include Shariah board and Islamic law.

Ijtihad is a concept in Islamic finance that refers to the independent reasoning and interpretation of Shariah principles. Ijtihad is considered a fundamental principle of Shariah and is used to determine the Shariah compliance of a financial product or transaction. Related terms include Shariah scholar and Islamic law.

Imam is a term that refers to a leader or scholar in Islamic finance. In Islamic finance, Imam is used to describe a Shariah scholar who provides guidance on Shariah compliance and Islamic law. Related terms include Shariah board and Islamic authority.

Inflation is an economic concept that refers to the increase in prices of goods and services. In Islamic finance, inflation is considered a risk that can erode the value of investments and savings. Related terms include monetary policy and fiscal policy.

Insurance is a financial product that provides protection against risk and uncertainty. In Islamic finance, insurance is conducted through Shariah-compliant methods, such as Takaful and Re-Takaful. Related terms include risk management and financial protection.

Interest is a concept that refers to the return on a loan or investment. In Islamic finance, interest is considered riba and is prohibited, as it is considered exploitative and unfair. Related terms include Shariah principles and Islamic law.

International Islamic Financial Market (IIFM) is a platform that provides a framework for Shariah-compliant financial products and services. IIFM is used to promote standardization and harmonization of Islamic financial products and services. Related terms include Islamic finance and Shariah compliance.

Investment is a process of putting capital to work in a financial product or asset. In Islamic finance, investment is conducted through Shariah-compliant methods, such as Mudarabah and Musharakah. Related terms include Islamic investing and Shariah-compliant investments.

Irrigation is a system of watering crops and plants. In Islamic finance, irrigation is considered a Shariah-compliant investment, as it promotes agricultural development and food security. Related terms include agricultural finance and sustainable development.

Islamic Banking is a system of banking that operates in accordance with Shariah principles. Islamic Banking is considered a Shariah-compliant alternative to conventional banking, as it avoids riba and other prohibited practices. Related terms include Shariah-compliant banking and Islamic finance.

Islamic Development Bank (IDB) is a multilateral development bank that provides financing for development projects in Muslim-majority countries. IDB is considered a Shariah-compliant institution, as it operates in accordance with Shariah principles. Related terms include development finance and Islamic finance.

Islamic Finance is a system of finance that operates in accordance with Shariah principles. Islamic Finance is considered a Shariah-compliant alternative to conventional finance, as it avoids riba and other prohibited practices. Related terms include Shariah-compliant finance and Islamic banking.

Islamic Financial Services Board (IFSB) is a regulatory body that sets standards for Islamic financial institutions. IFSB provides guidelines for Shariah compliance, risk management, and governance in Islamic finance. Related terms include Shariah Supervisory Board and regulatory requirements.

Jahala is a concept in Islamic finance that refers to uncertainty or ambiguity in a financial transaction. Jahala is considered a prohibited practice in Islamic finance, as it can lead to exploitation and unfairness. Related terms include Shariah principles and Islamic law.

Jamaah is a term that refers to a community or group of people. In Islamic finance, Jamaah is used to describe a group of individuals who come together to provide financial support and assistance to one another. Related terms include cooperative finance and mutual aid.

Kafalah is a type of Shariah-compliant guarantee where a third party provides a guarantee for a loan or financial obligation. Kafalah is often used in Islamic financing to promote credit availability and liquidity. Related terms include Islamic financing techniques and Shariah-compliant guarantees.

Khairat is a term that refers to a charitable donation or gift. In Islamic finance, Khairat is used to describe a charitable contribution to a good cause or social welfare program. Related terms include zakat and waqf.

Khilafah is a term that refers to a Islamic state or caliphate. In Islamic finance, Khilafah is used to describe a system of governance that operates in accordance with Shariah principles. Related terms include Shariah law and Islamic authority.

Madhab is a term that refers to a school of thought or jurisprudence in Islamic finance. Madhab is used to describe a particular approach or interpretation of Shariah principles. Related terms include Shariah scholar and Islamic law.

Majlis is a term that refers to a council or assembly in Islamic finance. Majlis is used to describe a group of individuals who come together to provide guidance and advice on Shariah-compliant financial products and

services. Related terms include Shariah board and Islamic authority.

Makasid is a concept in Islamic finance that refers to the objectives or goals of Shariah. Makasid is considered a fundamental principle of Shariah and is used to determine the Shariah compliance of a financial product or transaction. Related terms include Shariah principles and Islamic law.

Mal is a term that refers to wealth or property in Islamic finance. Mal is used to describe a financial asset or resource that is used to generate income or profits. Related terms include Islamic finance and Shariah-compliant investments.

Mannan is a term that refers to a gift or charitable donation in Islamic finance. Mannan is used to describe a charitable contribution to a good cause or social welfare program. Related terms include zakat and waqf.

Maqasid is a concept in Islamic finance that refers to the objectives or goals of Shariah. Maqasid is considered a fundamental principle of Shariah and is used to determine the Shariah compliance of a financial product or transaction. Related terms include Shariah principles and Islamic law.

Mudarabah is a type of Shariah-compliant investment where the investor provides capital to an entrepreneur or business, and in return, receives a percentage of the profits. Mudarabah is often used in Islamic financing to promote entrepreneurship and economic growth. Related terms include Islamic financing techniques and Shariah-compliant investments.

Mudarib is a term that refers to an entrepreneur or business manager in Islamic finance. Mudarib is used to describe an individual who manages a Shariah-compliant investment or business. Related terms include Mudarabah and Shariah-compliant investments.

Muhajir is a term that refers to a Muslim migrant or refugee in Islamic finance. Muhajir is used to describe an individual who has migrated to a new country or region for economic or social reasons. Related terms include Islamic finance and Shariah-compliant financial services.

Mukhabarah is a type of Shariah-compliant sale where the seller sells an asset to the buyer on a deferred payment basis. Mukhabarah is often used in Islamic financing to promote credit availability and liquidity. Related terms include Islamic financing techniques and Shariah-compliant sales.

Murabahah is a type of Shariah-compliant sale where the seller sells an asset to the buyer on a deferred payment basis. Murabahah is often used in Islamic financing to promote credit availability and liquidity. Related terms include Islamic financing techniques and Shariah-compliant sales.

Musharakah is a type of Shariah-compliant investment where the investor provides capital to a business or project, and in return, receives a percentage of the profits. Musharakah is often used in Islamic financing to promote entrepreneurship and economic growth. Related terms include Islamic financing techniques and Shariah-compliant investments.

Musawamah is a type of Shariah-compliant sale where the seller sells an asset to the buyer at a negotiated price. Musawamah is often used in Islamic financing to promote fairness and transparency in financial

transactions. Related terms include Islamic financing techniques and Shariah-compliant sales.

Nisab is a term that refers to the minimum amount of wealth or property required for an individual to be eligible to pay zakat. Nisab is used to determine an individual's zakat obligation and charitable donations. Related terms include zakat and waqf.

Qard is a type of Shariah-compliant loan where the lender provides a loan to the borrower without charging riba or interest. Qard is often used in Islamic financing to promote financial inclusion and access to credit. Related terms include Islamic financing techniques and Shariah-compliant loans.

Qiyas is a concept in Islamic finance that refers to the analogy or comparison of a financial product or transaction to a similar product or transaction. Qiyas is considered a fundamental principle of Shariah and is used to determine the Shariah compliance of a financial product or transaction. Related terms include Shariah principles and Islamic law.

Qur'an is the holy book of Islam, which provides guidance on Shariah principles and Islamic law. Qur'an is considered a fundamental source of Shariah and is used to determine the Shariah compliance of a financial product or transaction. Related terms include Hadith and Sunnah.

Rahn is a type of Shariah-compliant collateral where a borrower provides an asset as security for a loan. Rahn is often used in Islamic financing to promote credit availability and liquidity. Related terms include Islamic financing techniques and Shariah-compliant collateral.

Rasul is a term that refers to a prophet or messenger in Islamic finance. Rasul is used to describe an individual who has been appointed by Allah to guide humanity on Shariah principles and Islamic law. Related terms include Qur'an and Hadith.

Re-Takaful is a type of Shariah-compliant reinsurance where a Takaful operator provides reinsurance coverage to another Takaful operator. Re-Takaful is often used in Islamic financing to promote risk management and financial stability. Related terms include Takaful and Shariah-compliant insurance.

Riba is a concept in Islamic finance that refers to interest or usury. Riba is considered a prohibited practice in Islamic finance, as it is considered exploitative and unfair. Related terms include Shariah principles and Islamic law.

Sadaqah is a term that refers to a charitable donation or gift in Islamic finance. Sadaqah is used to describe a charitable contribution to a good cause or social welfare program. Related terms include zakat and waqf.

Shariah is a term that refers to Islamic law or divine guidance. Shariah is considered a fundamental principle of Islamic finance and is used to determine the Shariah compliance of a financial product or transaction. Related terms include Qur'an and Hadith.

Shariah board is a committee of Shariah scholars that provides guidance on Shariah compliance and Islamic law. Shariah board is used to determine the Shariah compliance of a financial product or transaction. Related terms include Shariah scholar and Islamic authority.

Shariah-compliant is a term that refers to a financial product or transaction that complies with Shariah principles and Islamic law. Shariah-compliant is used to describe a financial product or transaction that avoids riba and other prohibited practices. Related terms include Islamic finance and Shariah law.

Shirka is a concept in Islamic finance that refers to partnership or co-ownership. Shirka is considered a fundamental principle of Shariah and is used to determine the Shariah compliance of a financial product or transaction. Related terms include Shariah principles and Islamic law.

Sukuk is a type of Shariah-compliant bond where the investor purchases a certificate that represents ownership in a physical asset or project. Sukuk is often used in Islamic financing to promote infrastructure development and economic growth. Related terms include Islamic financing techniques and Shariah-compliant investments.

Sunan is a term that refers to the sayings and actions of the Prophet Muhammad. Sunan is considered a fundamental source of Shariah and is used to determine the Shariah compliance of a financial product or transaction. Related terms include Qur'an and Hadith.

Takaful is a type of Shariah-compliant insurance where the policyholders contribute to a common fund to provide mutual protection and support. Takaful is often used in Islamic financing to promote risk management and financial stability. Related terms include Re-Takaful and Shariah-compliant insurance.

Tawarruq is a type of Shariah-compliant financing where a financial institution purchases a commodity and sells it to a customer at a marked-up price. Tawarruq is often used in Islamic financing to promote liquidity and credit availability. Related terms include Islamic financing techniques and Shariah-compliant loans.

Ummah is a term that refers to the global Muslim community or Islamic nation. Ummah is used to describe the collective body of Muslims who are united by their faith and Shariah principles. Related terms include Islamic finance and Shariah law.

Ushr is a term that refers to a tax or levy on agricultural produce. Ushr is used to describe a charitable contribution to a good cause or social welfare program. Related terms include zakat and waqf.

Wadiah is a type of Shariah-compliant deposit where a bank or financial institution holds a deposit on behalf of a customer. Wadiah is often used in Islamic financing to promote financial inclusion and access to banking services. Related terms include Islamic banking and Shariah-compliant deposits.

Waqf is a type of Shariah-compliant endowment where a charitable donation is made to a good cause or social welfare program. Waqf is often used in Islamic financing to promote philanthropy and community development. Related terms include zakat and Sadaqah.

Zakat is a term that refers to a charitable donation or obligatory tax in Islamic finance. Zakat is used to describe a charitable contribution to a good cause or social welfare program. Related terms include Sadaqah and Waqf.