



Islamic Finance & Investment



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About Murtha Cullina LLP



Introductory

Islamic banking and finance continues to advance and mature responding to the seemingly ever rising demand for financial products and services that fulfill Islamic principles. With Islam generally considered as the world's fastest growing religion, financial and legal institutions worldwide are quickly creating Islamic alternatives to address rising expectations and requirements. Much has been accomplished in this early stage, and yet the opportunity for both quantitative and qualitative progression remains robust.

Murtha Cullina LLP has, for nearly 70 years, represented its clients with excellence, sincere concern and efficiency. We have brought to bear these cornerstones of our practice, together with our significant legal experience, to our practice in Islamic

finance and investments. The Firm provides legal services to a wide range of domestic and multinational institutions and family offices in all phases of corporate and financing transactions. Our attorneys design, develop and document Islamic structures for a variety of transactions, including private equity investments,

real estate, acquisitions and other financings, secondary market transactions as well as banking and insurance products development. Mirroring the growth of the industry, Murtha Cullina's practice, particularly in U.S. transactions, has led us to the forefront of structuring novel Islamic financial products and designing more efficient existing mechanisms. We remain committed to our clients

by positively contributing to their businesses and thereby continuing the growth and substantive development of Islamic finance.





Shari'ah Compliance

Compliance with the *Shari'ah* (Islamic principles) stands as the paramount consideration. It is this compliance (including related "audit" functionalities), brought about through closely working with trained Muslim jurists, that differentiates conventional or traditional finance from the Islamic. As Islamic financial marketplaces expand, debates and discussions within the industry now speak to principles of transparency, fundamental fairness,



service and standardization, together with the more technical rules relating to *riba* (unjust enrichment) and *gharar* (inappropriate uncertainty), among others. Our attorneys'

familiarity with Muslim jurists, Islamic law and Islamic finance generates comfortable discussions and necessary familiarities.



Private Equity and Venture Capital

Private equity is one of the most recent subsectors of Islamic finance to experience tremendous growth. While one may assume this growth is due to congruence with Islamic principles, it appears that there are a number of additional contributing factors. Significant successful capital raising efforts have resulted in a number of newly established funds, acquisitions and investments. The focus of these transactions varies and often includes healthcare, technology, energy and consumer and business services at various stages. Our experience with acquisitions as well as growth equity



investments demonstrates that there are a number of important legal issues requiring careful attention from a *Shari'ah* perspective. By representing Islamic investors as well as the targeted businesses, our attorneys have become well acquainted with these issues as they arise in otherwise customary agreements and negotiations. Leveraging on our experience in representing both publicly- and privately-held companies, we have creatively developed structures and documentation designed to properly allocate risks and benefits while addressing the substance of Islamic legal principles.



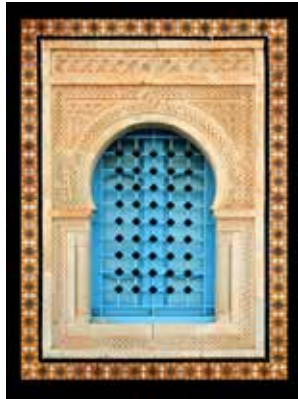
Sukuk and Secondary Markets



Sukuk issuances by various sovereign as well as corporate bodies have been a significant recent driving force underlying Islamic finance's tremendous success. *Sukuk* structures, steadily growing in sophistication, have been based on *ijarah* (leasing), *musharakah* (partnership), *mudarabah* (limited partnership) and *salam* (forward sale) concepts, among others. Similar principles are also beginning to be utilized in the context of securitizations. Recognizing our knowledge and experience with these and similar conventional instruments, the Firm's attorneys have been asked to bring their creativity in structuring *sukuk* and securitization transactions and have successfully utilized the underlying principles in other contexts.



Real Estate



Islamic investors appear to be among the world's most avid real estate investors. The Firm's attorneys represent both buyers and sellers in acquisition transactions and increasingly in transactions refinancing from conventional into Islamic structures. We are also adept at structuring onshore and offshore investment funds and vehicles for larger-scale real property investments, taking proper account of the related securities and tax issues, among others, that may arise. Our experience in real estate finance has also provided our attorneys the rare opportunity to be involved in some of the first standardized residential and commercial mortgage products along Islamic lines in the U.S., including designing related novel warehouse and table funding liquidity facilities.



Investment Funds



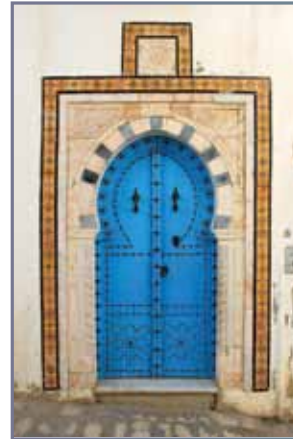
The past decade has seen significant growth in the number and value of Islamic funds. Islamic financial institutions are experienced in establishing real estate, equipment related and other

investment vehicles in the Muslim World as well as across Europe and the Americas. Murtha Cullina's knowledge of such structures generally, and the related tax, real estate and securities issues particularly, bring the depth necessary to properly represent our clients.



Retail and Consumer Banking

Retail banking stands as a core function of Islamic banking throughout the Muslim world. A number of conventional banks have Islamic windows or have converted their operations entirely. Designing some of North America's first Islamic products, including standardized commercial and residential real estate financing and construction and business finance programs, our attorneys are well-positioned to appreciate the largely untapped potential of this important market and to serve its many needs.





Taxation

The Firm devotes special attention to minimizing the tax impact on its U.S. clients doing business abroad as well as foreign institutions transacting business in the U.S. Our lawyers have had considerable experience in private equity and in transactions involving U.S. real property that are subject to the Foreign Investment in Real Property Tax Act (FIRPTA) and are well versed in the portfolio interest exemption, the earnings stripping rules and the complex rules of attribution especially important in cross-border transactions, among others. The Firm's knowledge of relevant tax laws, the rationale underlying these regulations and Islamic transactions plays a critical role in the services we provide.





About Murtha Cullina LLP

The Firm serves its clients world-wide from its U.S. offices in the major Northeast financial centers, including Boston and Stamford, as well as other satellite locations. The Firm's practice focuses on litigation, transactional representation in the corporate, financial and real estate areas, estate and closely-held business planning, and a full range of industry-focused and specialized legal services, including:

International Business

Tax

Intellectual Property

Health Care

Construction

Bankruptcy and Creditors' Rights

Litigation

Utilities and Energy

Commercial Finance and Lending

Real Estate

Private Equity and Venture Capital

Environmental and Land Use

Employee Benefits/ERISA

Labor and Employment

Public Finance

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