



# **RF BANKING** (*Riba-Free Islamic Banking*) **Towards A Real Riba-Free Life Style**

**Opportunities for Tomorrow:**

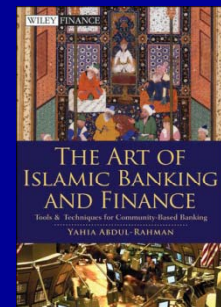
**Laws of The Land in the West and The Shari'aa**

**Dr. Yahia Abdul-Rahman**

**Founder of The LARIBA System - Since 1987**

**GIFF – The Royal Award for Islamic Finance**

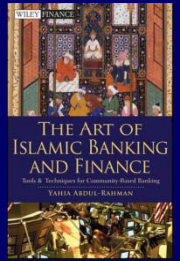
**Kuala Lumpur, Malaysia – October 27, 2010**





# Ribbit/Riba – Free Banking in the USA

## *The Laws of the Land and The Shari'aa*



### ■ The RF Industry: ACHIEVEMENTS

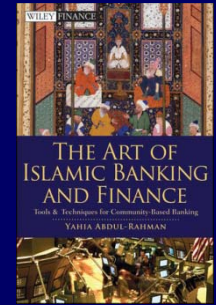
- Global Brand Name
- Qualified Human Resources
- Academic Research and Education
- Products and Services
- Infrastructure
- Abundant CAPITAL



Back To The Future!

## RIBA/RIBBIT-FREE BANKING FOR ALL

*Living The Real Riba-Free Life Style*



### **FORM** versus **SUBSTANCE**

#### ■ RF Banking (Riba/Ribbit-Free “Islamic”):

How a Wonderful *Judeo-Christian-Islamic* Law & Life Style were Reduced to A Set of Documents and Paper Transactions to Make It Look “Compliant.”

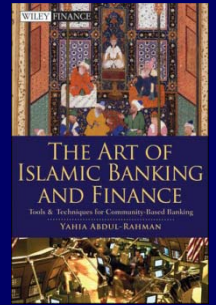
#### ■ The RF Movement Needs to Get Back on Track

RF Banking (*Riba/Ribbit-Free Banking*)



# The RF Industry in the 20<sup>th</sup> Century

## *The Approach and Mechanics*



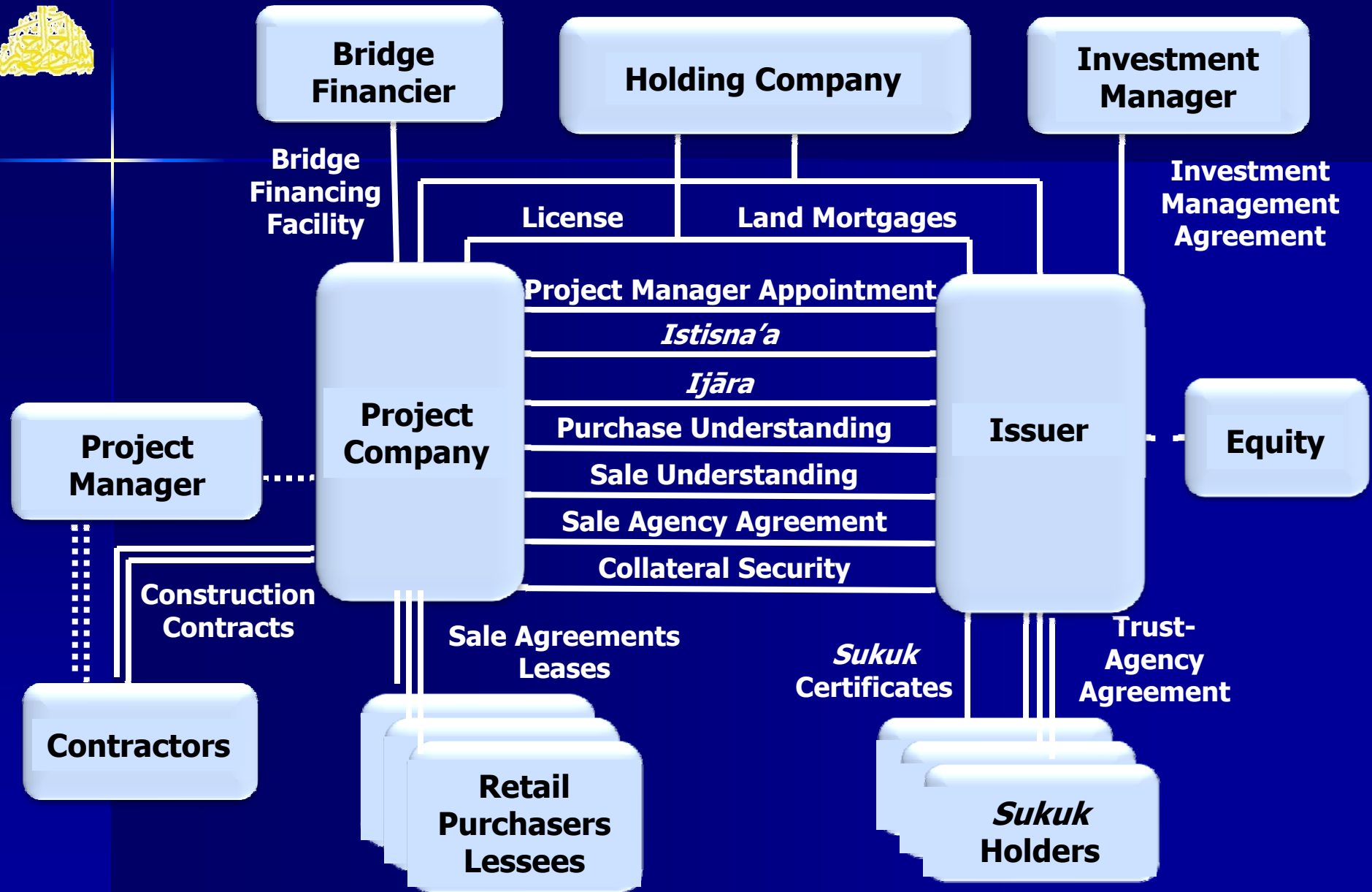
### CHANGE The Local Laws and Contracts:

Take Existing Products and Services and CHANGE Contracts to Make them Look Islamic...Financial Engineering.

### Lost In The Translation!

“LIEN” was Mistranslated as “RAHN” (*Pawn*) and Not as “*Implied Co-Ownership*” of the Usufruct and Title!

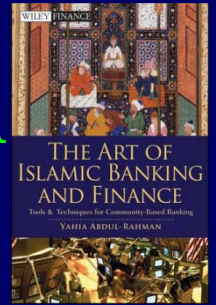
# Financial *Sukuk*





# Riba /Ribbit – Free Banking in the USA

## *The Laws of the Land and The Shari'aa*



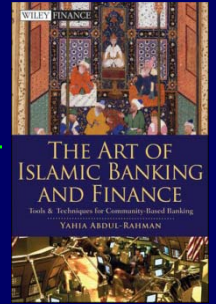
### ■ The RF Industry: CHALLENGES

- How To Present A True Economic Tangible ADDED VALUE That Can Be Demonstrated
- How To Do Away with:
  - Complicated Structures That Lead to Disputes and Lengthy Trials.
  - Sophisticated Ruses, Circumventions and Financial Engineering That Create Disputes and Government Suspicions



# Riba/Ribbit – Free Banking in the USA

## *The Laws of the Land and The Shari'aa*



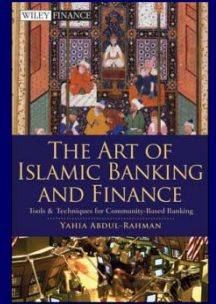
### WHAT TO DO?

- WE MUST AGREE ON DEFINITION OF RIBA...*It Is The Act Of Renting Money!*
- WE MUST CHANGE OUR APPROACH
- WE MUST STRENGTHEN THE FOUNDATION OF THE “*RF Finance*’ STRUCTURE



# The RF Industry in the 21<sup>st</sup> Century

## *A Tested Superior New Approach*



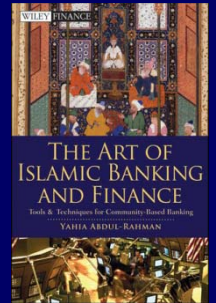
- Respect the Body of Human Experience in Finance...It is Judeo-Christian-Islamic Finance for PEOPLE of ALL FAITHS!
- Start with What is Available, Understand It and Add to It: The LIEN (*Imtiaz* in Arabic) vs. the PAWN (*Rahn* in Arabic.)
- Demonstrate the Added Value of Using RF:
  - Marking to Market
  - Commodity Indexation
- Use Existing Simple Contracts with Additions





# The RF Industry in the 21<sup>st</sup> Century

## *A Tested Superior New Approach*



### ■ **Dispute Settlement:**

- The System of Arbitration has Resolved Many Business Disputes in the US Using the Principles of the Faith (Jews, Christians and Muslims.)

### ■ **Bank Regulators and Auditors:**

- A Great Human Achievement for Cleansing the System Errors and Improving it.
- We Simply Need to Add A Jurisprudence (Shari'aa) Examination to the Regulators' Safety and Soundness Annual Examination.

# LARIBA – RF Banking



***WE DO NOT RENT MONEY ; WE INVEST IN YOU***

**We Answer To A Higher Authority - GOD!**

**WE INVITE YOU TO LIVE WITHOUT RIBA!!**

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**THANK YOU - QUESTIONS PLEASE!**

**www.LARIBA.com**

