This section explains some Arabic words and terms occurring in the volume.

_Arbun_ is a non-refundable deposit to secure the right to cancel or proceed with a sale during a certain period of time.

_Bai’al-dayn_ means the sale of debt or a liability at a discount or negotiated price.

_Bai’al-inah_ is a contract that involves the sale and buy back of assets by a seller.

_Bai bi-thamin ajil_ is deferred payment sale by instalments.

_Bai’muajjal_ is deferred payment sale.

_Bai’salam_ is pre-paid purchase.

_Bay (bai)_ is a comprehensive term that applies to sale transactions, exchange.

_Fiqh_ is Islamic jurisprudence, the science of religious law, which is the interpretation of the Sacred Law, _shari’a_.

_Gharar_ is uncertainty, speculation.

_Hadith_ (plural _ahadith_) is the technical term for the source related to the _sunna_, the sayings – and doings – of the Prophet, his traditions.

_Halal_ means permitted according to _shari’a_.

_Haram_ means forbidden according to _shari’a_.

_Hiyal_ (plural of _hila_) are ‘permissions’ or legal manipulations, evasions.

_Ijara_ contract is a leasing contract.

_Ijara wa iqtina_ is a lease-purchase contract, whereby the client has the option of purchasing the item.

_Ijma_ means consensus among jurists based on the Holy Qur’an and _sunna_, and one of the four sources of law in Sunni Islam.

_Ijtihad_ means the act of independent reasoning by a qualified jurist in order to reach new legal rules.

_Islam_ is submission or surrender to the will of God.

_Istijrar_ refers to a sale in which an asset is supplied on a continuing basis at an agreed price payable at a future date.

_Istisnaa_ is a contract to manufacture.

_Ju’alah_ is the stipulated price (commission) for performing any service.

_Kafala_ is a contract of guarantee or taking of responsibility for a liability provided by a guarantor, _kafeel_.

_Maysir_ means gambling, from a pre-Islamic game of hazard.

_Mudaraba_ contract is a trustee financing contract, where one party, the financier, entrusts funds to the other party, the entrepreneur, for undertaking an activity.

_Mudarib_ means an entrepreneur or a manager of a _mudaraba_ project.

_Murabaha_ is resale with a stated profit; for example the bank purchases a certain asset and sells it to the client on the basis of a cost plus mark-up profit principle.

_Musharaka_ contract is an equity participation contract, whereby two or more partners contribute with funds to carry out an investment.

_Muslim_ is one who professes the faith of Islam or is born to a Muslim family.
**Nisab** is the minimum acceptable standard of living.  
**Qard hasan** is a benevolent loan (interest-free).  
**Qiyas** means analogical deduction.  
**Qur’an** is the Holy Book, the revealed word of God, followed by all Muslims.  
**Rabb al-mal** refers to the owner of capital or financier in a *mudaraba* partnership agreement (also *sahib al-mal*).  
**Riba** is literally ‘excess’ or ‘increase’, and covers both interest and usury.  
**Shari’a** is Islamic religious law derived from the Holy Qur’an and the *sunna*.  
**Shirkah** (or *sharika*) is a society or partnership.  
**Sukuk** is a freely tradeable Islamic participation certificate based on the ownership and exchange of an approved asset.  
**Sunna** is a source of information concerning the practices of the Prophet Muhammad and his Companions, and is the second most authoritative source of Islamic law.  
**Sura** (pl. *surat*) is a chapter of the Holy Qur’an. There are 114 *suras* of varying length and in all references to the Holy Qur’an (for example 30:39) the first number refers to the *sura* and the second to the *aya* or verse.  
**Tabarru** means charity or donation. In *takaful*, it is a voluntary pooled fund for the benefit of all members.  
**Takaful** refers to mutual support which is the basis of the concept of insurance or solidarity among Muslims.  
**Ulama** are the learned class, especially those learned in religious matters.  
**Umma** means the community; the body of Muslims.  
**Wadia** means safe custody or deposit.  
**Wakala** involves a contract of agency on a fee-for-services basis with an agent, *wakil*.  
**Waqf** is a trust or pious foundation.  
**Zakat** is a religious levy or almsgiving as required in the Holy Qur’an and is one of the five pillars of Islam.