



**NATIONAL OPEN UNIVERSITY OF NIGERIA**  
**FACULTY OF SOCIAL SCIENCES**  
**DEPARTMENT OF ECONOMICS**  
**2021\_2 EXAMINATION**<sup>487</sup>

**COURSE TITLE: ISLAMIC FINANCIAL SYSTEM**

**COURSE CODE: ECO 728**

**UNITS: 2**

**TIME ALLOWED: 2 HOURS**

**INSTRUCTION: ANSWER ANY THREE (3) QUESTIONS. ALL QUESTIONS CARRY EQUAL MARKS**

- Q1a. What do you understand by the term ‘Islamic Investment Fund’?
- Q1b. An Islamic investment fund functions in a manner similar to a mutual fund. However, an Islamic investment fund can generally be in any three (3) legal forms, discuss them.
- Q1c. Several parties are involved in Islamic funding. Discuss **23 marks**
- Q2a. What do you understand by the basic principles of Islamic finance?
- Q2b. Elucidate five (5) fundamental principles of Islamic finance. **23 marks**
- Q3a. What are the guidelines on institutions offering non-interest financial services in Nigeria?
- Q3b. Give an account of the Central Bank of Nigeria (CBN) Act 2007 **23 marks**
- Q4a. Ascertain with clear enlightenment the Characteristics of Islamic Financial Instruments
- Q4b. Discuss the challenges facing Islamic Finance Institutions globally **23 marks**