QIRAD GROUP

PARTNERSHIP CONSTITUTION

دُسْتُورُ شَرَاكَةِ الْقِرَاض

Internal governance of Qirad Group as joint Muḍārib

Restated and adopted by Isma-eel Isaacs and Maahier Esa

FOUNDING PARTNERS

Partner	Primary expertise and role
Isma-eel Isaacs	Attorney, qirād specialist and Imam; Managing and Authorised Partner; legal and qirād structuring, contracting, compliance coordination and capital-provider administration.
Maahier Esa	Business specialist; commercial due diligence, SME assessment, operational monitoring, financial analysis and business support.

External Adviser: Shaykh Ebrahim Charles is appointed as the Independent Sharīʿah Adviser. He is not a partner, owner, employee, Muḍārib or profit participant and does not form part of Qirad Group's commercial management.

1. NAME, STATUS AND PURPOSE

1.1 The partnership trades as "Qirad Group". It is an unincorporated partnership between Isma-eel Isaacs and Maahier Esa and is not a separate juristic person.

1.2 The partners act jointly as Muḍārib in external qirād agreements with capital providers and may use the trading name in contracts, correspondence and branding, provided the partners' legal identities are disclosed where required.

1.3 The purpose of Qirad Group is to identify, investigate, structure, approve, manage and monitor halal SME investments, administer capital-provider relationships and distribute realised profit under valid qirād arrangements.

1.4 The partnership shall operate with amāna, transparency, genuine risk-sharing, lawful commerce and independent Sharīʿah review.

2. DEFINITIONS

2.1 "External Qirād Agreement" means a contract between one or more Capital Providers and the partners as joint Muḍārib. "Muḍārib Share" means the collective portion of actual Net Profit payable to Qirad Group under that agreement.

2.2 "Capital" means money supplied by Capital Providers for an identified investment and excludes partnership income or property. "Reserved Matter" means a decision requiring unanimous partner approval under clause 5.

2.3 "Independent Sharīʿah Adviser" means Shaykh Ebrahim Charles or a qualified replacement appointed under clause 7. "Isaacs Attorneys" means I. Isaacs trading as Isaacs Attorneys, acting in its professional capacity where appointed.

3. PARTNERS’ CONTRIBUTIONS AND DUTIES

3.1 The partners contribute their respective expertise, labour, time, networks and management effort. Neither is required to contribute qirād Capital unless separately agreed in writing.

3.2 Each partner shall act honestly, loyally, in good faith, for proper purpose and with reasonable care; disclose material information and conflicts; preserve confidentiality; and comply with External Qirād Agreements, law and approved Sharīʿah conditions.

3.3 Neither partner may divert a Qirad Group opportunity, Capital Provider or underlying SME for personal benefit, accept an undisclosed benefit, misuse Capital or represent that a return or Capital is guaranteed.

4. ROLES AND AUTHORITY

4.1 Isma-eel Isaacs is the Managing and Authorised Partner. He leads qirād and legal structuring, contracts, capital-provider administration, trust instructions, records, compliance coordination and distributions.

4.2 Maahier Esa leads commercial due diligence, business assessment, financial modelling, SME engagement, operational monitoring, risk identification and recovery or exit planning.

4.3 Each partner shall perform the work reasonably required within his field and shall promptly disclose any inability, conflict or material concern affecting an investment.

4.4 Isma-eel Isaacs may sign External Qirād Agreements, underlying transaction documents, notices, mandates, trust instructions and ancillary documents on behalf of both partners. His authority is subject internally to the Reserved Matters but may be relied upon externally until written notice of a change is given.

4.5 Routine administrative and operational decisions may be made by the partner responsible for that field, provided they remain within an approved mandate and are recorded.

5. RESERVED MATTERS

The following require the prior written approval of both partners:

- accepting a new investment round or material Capital Provider;
- approving initial deployment, an underlying SME or a material change to structure, sector, geography, risk or use of Capital;
- borrowing, guaranteeing obligations, granting security or materially encumbering investment assets;
- a related-party transaction, material service-provider appointment or material asset sale;
- declaring or distributing Net Profit, retaining a material reserve or changing the internal division of the Muḍārib Share;
- admitting or removing a partner, changing signing authority, dissolving the partnership or terminating an External Qirād Agreement early; and
- appointing, removing or replacing the Independent Sharīʿah Adviser.

6. INVESTMENT APPROVAL PROCESS

6.1 No Capital may be accepted for deployment until the proposed investment has been documented sufficiently to permit legal, commercial, FICA and Sharīʿah review.

6.2 Isma-eel Isaacs shall complete the legal and qirād review. Maahier Esa shall complete the commercial due diligence. Each shall record a recommendation and material conditions or risks.

6.3 Both partners must approve the investment as a Reserved Matter. Thereafter the complete and accurate structure must be submitted to the Independent Sharīʿah Adviser for a written opinion before deployment.

6.4 A qualified or conditional Sharīʿah approval must be implemented exactly. A material change after approval requires a supplementary opinion before the change is implemented.

7. INDEPENDENT SHARĪʿAH ADVISER

7.1 Shaykh Ebrahim Charles is appointed as the first Independent Sharīʿah Adviser under a separate written appointment. He remains external to the partnership and has no ownership, management, signing or profit-sharing right.

7.2 His functions are to review the standard qirād documentation and each proposed investment structure; issue written approval, conditional approval or rejection; advise on continuing compliance, corrective action and purification; and review material amendments referred to him.

7.3 The Adviser shall exercise independent judgment and disclose any direct or indirect interest, relationship or circumstance reasonably capable of affecting independence. If conflicted or unavailable, another suitably qualified scholar shall be appointed for that matter.

7.4 The Adviser shall not participate in the commercial vote, direct ordinary management, receive a share of investment profit or have remuneration linked to approval, Capital, revenue, profit or performance.

7.5 The Adviser's remuneration shall be a fixed retainer or fixed fee per review, agreed in advance and paid by Qirad Group from the Muḍārib Share or other partnership resources. It shall not reduce the Capital Providers' agreed 20% share.

7.6 Qirad Group may not advertise an investment as Sharīʿah-approved until a written opinion has been received, and may not use the Adviser's name or opinion beyond its proper scope.

8. DEADLOCK OR CONFLICT BETWEEN PARTNERS

8.1 If the partners disagree on a Reserved Matter, the proposal is not approved. Existing Capital may not be deployed or materially redirected while the deadlock continues.

8.2 The partners shall meet promptly, obtain any necessary legal, accounting, commercial or Sharīʿah advice, and seek a good-faith solution. Failure to agree may trigger the dispute process in clause 17.

9. ISAACS ATTORNEYS TRUST ADMINISTRATION

9.1 Where permitted by law and professional rules, Isaacs Attorneys is appointed as attorney and stakeholder to receive Capital temporarily into its legal practitioner trust account pending implementation of an identified transaction, and to receive proceeds for accounting and distribution.

9.2 A separate trust matter or ledger shall be maintained for each investment round and Capital Provider. Capital shall never be received into the Isaacs Attorneys business account or a partner's personal account.

9.3 Isma-eel Isaacs may sign trust instructions on behalf of Qirad Group only after the required internal approval, Sharīʿah approval and compliance conditions are recorded. The initial or material deployment instruction must identify the approved recipient and purpose.

9.4 The trust account is not the operating account of Qirad Group or the SME. Funds shall be transferred to the approved counterparty or dedicated investment account when deployment occurs.

9.5 Use of the trust account is subject to the Legal Practice Act, LPC rules, a valid Fidelity Fund Certificate, Isaacs Attorneys' trust accounting controls and any instruction of the trust auditor or regulator. It does not guarantee Capital, profit or Fidelity Fund compensation.

9.6 Isaacs Attorneys acts in a separate professional capacity. A distinct legal fee may be charged only for work outside the partners' ordinary Muḍārib duties, on a disclosed and approved basis.

10. FICA, AML AND CLIENT ACCEPTANCE

10.1 No Capital shall be accepted or deployed until the Capital Provider, representative, beneficial owner and relevant payer have been identified and verified to the extent required by Isaacs Attorneys' risk management and compliance programme and applicable law.

10.2 The client-take-on process shall establish the purpose and intended nature of the relationship, source of funds, expected transactions, ownership and control, prominent-person status, sanctions exposure and any other risk information reasonably required.

10.3 Cash is not accepted. Third-party payments require prior approval, identification and verification of the payer, an explanation of the relationship and transaction, and satisfactory proof of source of funds.

10.4 Isaacs Attorneys or Qirad Group may request additional information, decline or delay a transaction, return funds to the verified source, continue monitoring, or make a legally required report. No person shall be informed of a confidential regulatory report where disclosure is prohibited.

10.5 Personal information shall be processed only for lawful professional, contractual, risk-management and compliance purposes, protected appropriately and retained for the legally required period.

11. EXTERNAL QIRĀD STANDARDS

11.1 Every External Qirād Agreement must identify the partners as the joint Muḍārib, state the Capital and approved mandate, express profit shares as percentages of actual Net Profit, exclude fixed or guaranteed returns, and allocate ordinary loss to Capital Providers except where caused by proven Muḍārib fault.

11.2 The standard commercial ratio is 20% of actual Net Profit to the Capital Providers and 80% to Qirad Group, unless a different ratio is agreed in writing and approved before deployment.

11.3 Capital Providers do not become partners in Qirad Group and have no right to its internal assets, reserves, management or Muḍārib Share beyond the rights in their External Qirād Agreement.

11.4 Qirad Group may use approved qirād, mushārakah, equity, trade, lease, agency or other permissible arrangements with underlying SMEs, provided the authority is disclosed and documented.

12. MUḌĀRIB SHARE, EXPENSES AND RESERVES

12.1 The Muḍārib Share belongs collectively to Isma-eel Isaacs and Maahier Esa and shall be divided under Schedule 1 after deduction of partnership expenses and reserves chargeable to that share.

12.2 Until Schedule 1 is completed, the distributable Muḍārib Share shall be divided equally between the two partners after unanimously approved partnership expenses and reserves.

12.3 The partners may retain a reasonable operating, tax, professional-risk or growth reserve from the Muḍārib Share. No reserve or partnership overhead may reduce the Capital Providers' 20% share.

12.4 Ordinary partner work forming part of the Muḍārib function is remunerated only through the Muḍārib Share. The fixed Independent Sharīʿah Adviser fee is also borne from the Muḍārib Share or other partnership funds.

13. RECORDS, ACCOUNTS AND REPORTING

13.1 The partnership shall maintain its Constitution, resolutions, External Qirād Agreements, due-diligence records, Sharīʿah opinions, FICA records, trust and investment statements, expense records, reports, distributions, conflicts and material correspondence.

13.2 Each partner has reasonable access to partnership records. Capital Providers receive the reporting and supporting records promised by their agreement, subject to privilege, confidentiality and personal-information protection.

13.3 Profit may be declared only after reasonable verification that it is realised, that prior losses and liabilities have been properly accounted for and that the proposed distribution does not invade Capital.

14. CONFLICTS AND RELATED-PARTY TRANSACTIONS

14.1 A partner shall disclose any interest in a Capital Provider, SME, supplier, adviser or transaction before discussion. The interested partner may provide information but may not unilaterally approve the matter.

14.2 A related-party transaction must be fair, documented, on disclosed commercial terms and approved as a Reserved Matter. Material related-party involvement shall be disclosed in the relevant External Qirād Agreement or investment report.

15. LIABILITY AND INTERNAL INDEMNITY

15.1 Nothing in this Constitution excludes liability owed under law or an External Qirād Agreement. Ordinary commercial loss does not, without more, establish partner fault.

15.2 A partner whose fraud, dishonesty, wilful misconduct, unauthorised act, material breach, taʿaddī or taqṣīr causes loss shall indemnify the innocent partner and partnership to the extent of proven loss and reasonable recovery costs.

15.3 Where fault is shared, internal responsibility shall be allocated fairly according to causation, role, knowledge, conduct and degree of fault.

16. ADMISSION, WITHDRAWAL, DEATH OR INCAPACITY

16.1 A new partner may be admitted only by written agreement of both existing partners, stating role, authority, profit interest, responsibility for existing transactions and effective date.

16.2 A partner may withdraw on at least sixty days' written notice but shall assist with an orderly transition and may not abandon obligations under a live External Qirād Agreement.

16.3 Withdrawal, death, incapacity, insolvency or loss of required professional status does not automatically substitute another Muḍārib. Affected Capital Providers must be notified and continuation, variation or wind-down agreed where required.

16.4 A departing partner is entitled only to accrued internal amounts after finalisation of accounts, less proven liabilities, and has no claim to Capital belonging to Capital Providers.

17. DISPUTES

17.1 An internal dispute must first be notified in writing and discussed in good faith within five Business Days. If unresolved, it shall proceed to confidential sulḥ or mediation for at least fifteen Business Days.

17.2 If still unresolved, the dispute shall be determined by a single arbitrator in Cape Town under the Arbitration Act 42 of 1965. Urgent court relief remains available to protect trust money, Capital, records, professional duties or assets.

18. AMENDMENT, DISSOLUTION AND GENERAL

18.1 An amendment requires a written resolution signed by both partners. An amendment affecting a live External Qirād Agreement does not bind a Capital Provider unless made as required by that agreement.

18.2 No amendment may authorise ribā, a guaranteed qirād return, personal use of Capital, concealment of conflicts, profit-linked Sharīʿah advisory remuneration or removal of proper segregation and accountability.

18.3 The partnership may be dissolved by agreement, impossibility of purpose or final arbitral or court order. Live investments must first be secured, accounted for and completed, transferred or wound down in accordance with their agreements.

18.4 This Constitution is the whole internal agreement between the partners concerning Qirad Group and supersedes the earlier three-partner constitution and the former Qirād Investment Club draft.

18.5 Notices may be delivered by hand or authenticated electronic communication. Invalid provisions are severed minimally. This Constitution is governed by South African law and may be signed in counterparts or electronically.

SCHEDULE 1 — INTERNAL DIVISION OF MUḌĀRIB SHARE

The percentages below divide only Qirad Group's collective Muḍārib Share after approved partnership expenses and reserves. They do not affect the Capital Providers' agreed share.

Partner / allocation	Percentage of Muḍārib Share
Isma-eel Isaacs	________ %
Maahier Esa	________ %
Partnership reserve, if fixed	________ %
TOTAL	100 %

Default if incomplete: the distributable balance is divided equally between Isma-eel Isaacs and Maahier Esa after unanimously approved partnership expenses and reserves.

SCHEDULE 2 — FOUNDING RESOLUTION AND EXTERNAL ADVISER

The partners unanimously resolve that:

- **Isma-eel Isaacs and Maahier Esa shall act jointly as Muḍārib under the trading name Qirad Group;**
- **Isma-eel Isaacs is appointed Managing and Authorised Partner with the signing authority stated in this Constitution;**
- Isaacs Attorneys is appointed, where legally permissible, as attorney and stakeholder to administer qirād funds through its legal practitioner trust account;
- Shaykh Ebrahim Charles is appointed as Independent Sharīʿah Adviser under a separate fixed-fee appointment and shall have no partnership, management or profit-participation interest; and
- all Reserved Matters and Capital deployments remain subject to the approvals stated in this Constitution.

INDEPENDENT ADVISER ACKNOWLEDGMENT

I, Shaykh Ebrahim Charles, acknowledge the independent external role described in this Constitution and confirm that my detailed scope and fixed remuneration will be recorded in a separate appointment.

Name	Signature	Date
Shaykh Ebrahim Charles	____________________________	____ / ____ / 20____

ADOPTION BY THE PARTNERS

The undersigned adopt this Restated Partnership Constitution as the binding internal agreement of Qirad Group.

ISMAEEL ISAACS	MAHIR ESA
Signature: __________________________ ID No: _____________________________ Date: ____ / ____ / 20____	Signature: __________________________ ID No: _____________________________ Date: ____ / ____ / 20____
WITNESS 1	WITNESS 2

ISMAEEL ISAACS	MAHIR ESA
Name: _______________________________ Signature: ___________________________ Date: ____ / ____ / 20____	Name: _______________________________ Signature: ___________________________ Date: ____ / ____ / 20____