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# **THE CONCEPT AND MARKETABILITY OF ISLAMIC TRUST AND CASH WAQF – STRUCTURES & LEGALITY**

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## A TRUST

A TRUST is a legal facility through which a person known as the settlor transferred the legal title of his/ her assets to another person known as a trustee with the direction usually embodied in a trust instrument as to how and how long the assets should be managed for the benefit and enjoyment of the designated third party known as the beneficiary.



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## SYARI'A PERSPECTIVE

- Waqf (Trust)
- in perpetuity
  - only the usufruct of the waqf assets is used for charitable or philanthropic purposes
  - enjoyment of usufruct, direct or by intermediation



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Waqf (Trust)

*Dedications*

- public at large
- one's children and descendants

*Assets*

- movable, existence of recognised custom
- immovables



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In Malaysia,

- Islamic Trusts/ Waqf
- Anglo-Saxon Model

In Labuan,  
Legal framework for trusts

- Labuan Offshore Trusts Act 1996 (“LOTA”)



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LOTA is international in scope:-

- Section 7 - qualified persons, trustees/ co-trustees
- Section 20 - redomiciliation of foreign trusts to Labuan
- Section 21 - migration of Labuan offshore trusts to other jurisdictions



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## Waqf, charitable purposes

- a) The relief or eradication of poverty;
- b) The advancement of education;
- c) The promotion of art, science and religion;
- d) The protection of the environment;
- e) The advancement of human rights and fundamental freedom; or
- f) Any other purposes which are beneficial to the community,

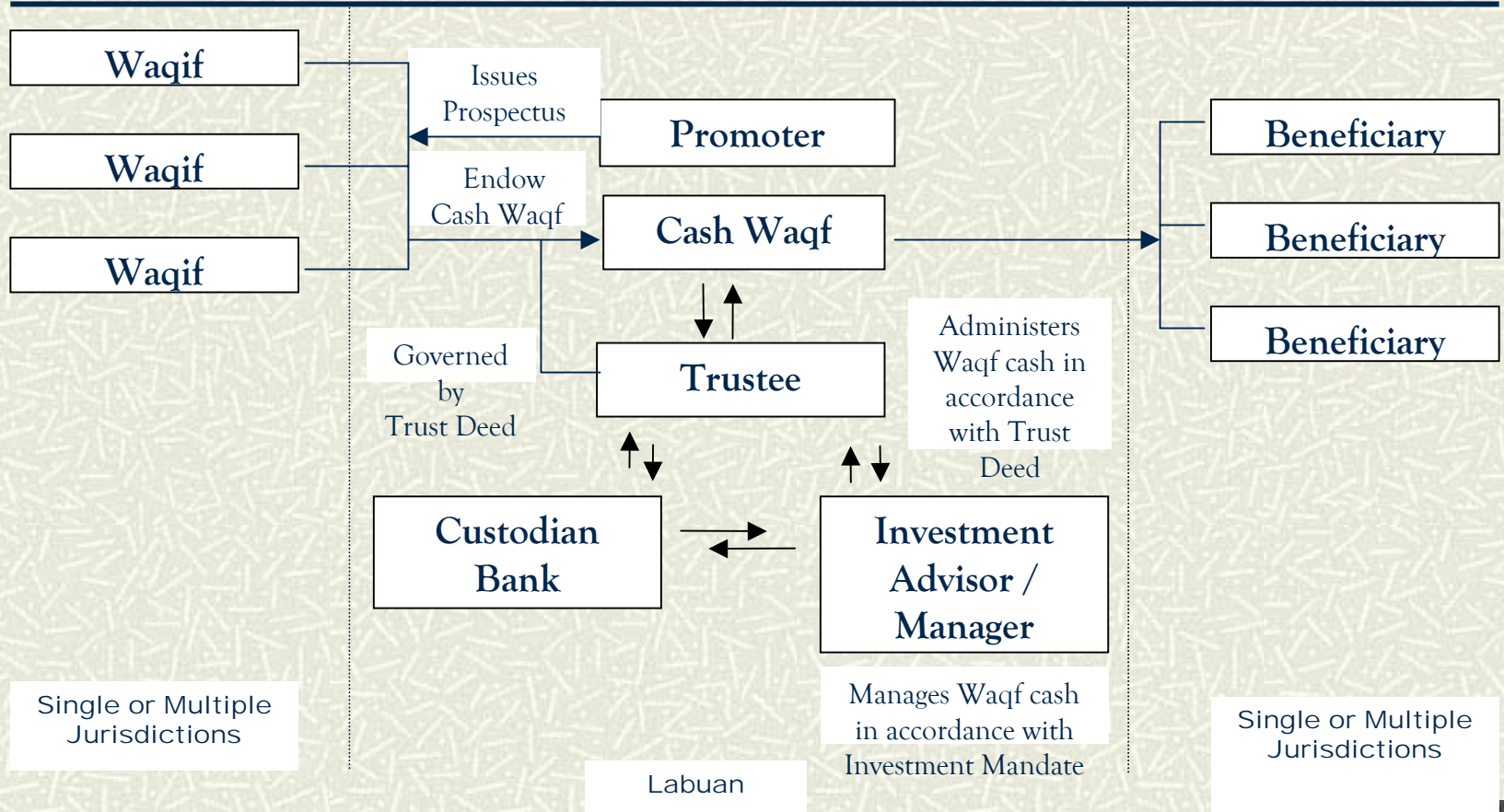
Whether it is to be carried out in Malaysia or elsewhere and whether it is beneficial to the community in Malaysia or elsewhere.



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## CASH WAQF (1)



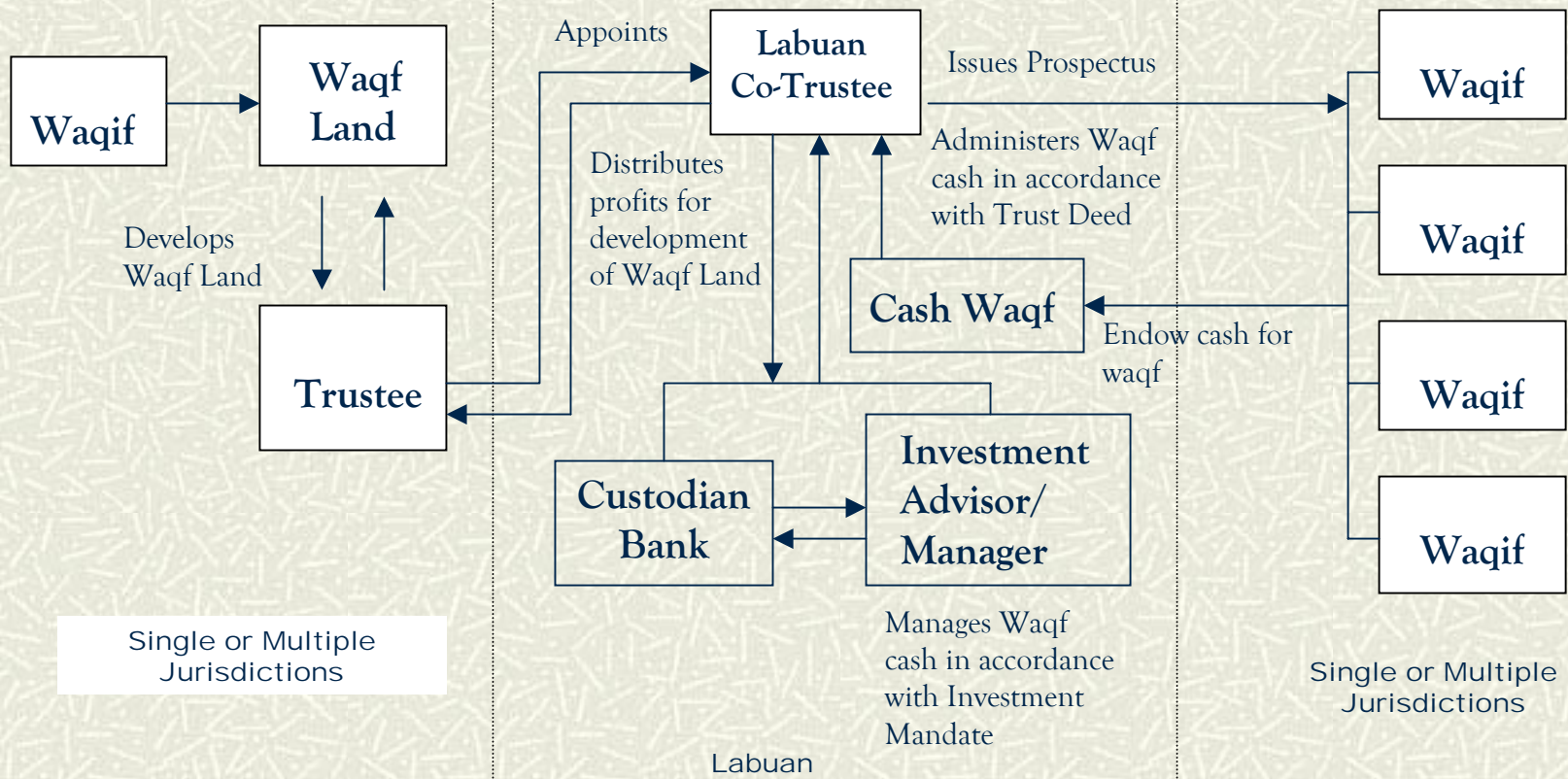




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## CASH WAQF (2)





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**Thank you for listening**