



THOUGHT LEADERSHIP

Path Solutions' Thought Leadership series move ahead with newly launched iMAL*2Mobile

Path Solutions extends its comprehensive suite of financial services applications to cover Mobile Banking allowing service providers to offer a new channel of service to their clients.

The new indispensable application helps service providers to enforce branchless system, reduce operational costs, and increase customers' loyalty.

In today's fast-paced environment, mobile usage has become a part of everyday life. Mobile connections are nowadays very quick and secured; making the expansion to mobile financial services inevitable.

With consumers demand for banking 'anytime, anywhere', financial institutions have a great opportunity to offer banking and payment services to targeted key customer segments.

Mobile banking is a service whereby customers can utilize their mobile phones or PDAs (Personal Digital Assistants) to perform banking operations. Mobile banking can be performed via SMS, mobile Web browser, or client application. The offered services include fund transfers, bill payments, balance inquiry, prepaid services, and others.

It is estimated that a significant percentage of the world population owns a mobile phone, ranging from old models to smart phones. Mobile banking customers are therefore capable of finalizing their financial activities with just a click. Mobile banking not only meets customers' demand for extra level of convenience, it also extends customer reach, improves customer retention, and achieves operational efficiency.

Mobile banking solutions are uniquely capable of helping financial institutions to connect, transact and interact with their customers, across multiple channels.

Once again, with the aim to deliver solutions that allow financial institutions to increase and widen their market depth and exposure, through promoting newly developed products, Path Solutions has launched a revolutionary mobile banking solution allowing financial institutions to retain valuable customers and build customers loyalty.

The newly launched mobile solution is a new opportunity to attract customers; as they can access their accounts, transfer funds, pay bills, in addition to other services, through their mobile phones. This technology has a vast connectivity, hence proving mobile banking to be very successful.

iMAL*2Mobile solution is another member of the iMAL Delivery Channels offering. It is completely integrated with iMAL core banking system and has the flexibility to integrate with other systems, through direct integration or a middleware. The mobile banking services utilization is optimized when integrated with CRM and phone banking systems.

The iMAL*2Mobile-Web solution provides the financial institutions' customers with the ability to use the Web browser on their mobile phones as a gateway to online banking.

Built on jQuery Mobile platform, the iMAL*2Mobile-Web application provides a scalable mobile banking channel for customers to perform banking transactions, anytime and anywhere. iMAL*2Mobile-Web solution is compatible with various mobile operating systems including iOS, Android, Blackberry, and Symbian. It is also compatible with various mobile Web browsers including Nokia, Blackberry browser, Opera mini, Safari, and Android browser.

Path Solutions' iMAL*2Mobile provides banks with high security standards and features that cover both the server and the client's sides.

iMAL*2Mobile is highly convenient for financial institutions as it is fully integrated with all iMAL modules and flexible to integrate with third party systems via APIs, Web services, or text messages.

The solution is highly secured and includes Web functionalities, such as Branch Registration, Accounts Lists, Recent Accounts Transactions, Inter-bank Funds Transfers, Bill Payments, Chequebook Requests, Secure Inbox, ATM and Branch Locator and other information pages. Thus, it provides customers with convenient and efficient means of banking operations around the hour.

iMAL*2Mobile allows financial institutions to offer a new channel of service for their clients. It also promotes the approach to branchless system; helps reducing operational costs and increases customer loyalty.

Disclaimer: Statements concerning Path Solutions' plans and product releases are by nature, forward-looking statements that involve a number of uncertainties and risks, and cannot be guaranteed. Based on the market and customers' needs and requirements, changes in the stated plans and products may be done. ■

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RECENT NEWS

Path Solutions announces release of iMAL*RiskManagement 2.0, empowering banks to meet the growing needs of Risk Management

January 31, 2012 – Path Solutions, the leader in the provision of software solutions for the financial services industry today announced the latest release of its new-generation Risk Management solution iMAL*RiskManagement (iMAL*RM), that allows financial institutions to rapidly jump-start their risk management initiatives; to go beyond merely computing capital adequacy and to manage prudently all the risks resulting from their business activities.

Path Solutions earlier introduced its off-the-shelf Risk Management solution, iMAL*RM that enabled financial institutions to compute Risk Weighted Assets (RWA) and Capital Adequacy Ratio (CAR) and helped in quick and timely compliance with the Basel II Accord and IFSB Capital Adequacy Standard for Sharia-compliant products and services offered by Islamic financial institutions.

The new release of iMAL*RM will allow financial institutions to embed proactive risk management into their business processes. Path Solutions has enhanced its CAR offering with various features like detailed and analytical reporting with complete dissection of RWA, CAR optimization techniques via efficient distribution of collaterals to exposures, introduction of advanced approaches such as IMA approach with back-testing for market risk, to name a few.

In addition, the new release of iMAL*RM will equip financial institutions with various risk management analyses like CAR simulation, enabling them to assess impact on regulatory capital requirements following simulated changes in existing positions, as well as introducing new positions; Enhanced credit risk analytics including credit portfolio and vintage analysis; Advanced Market Risk analytics including VaR computation at instrument and portfolio levels, hedge-effectiveness testing, cashflow discounting, yield-curve stress test; New Liquidity Risk module with various analyses like behavioral liquidity, trend analysis, liquidity risk indicators, concentration reports; New Operational Risk Management module with risk register, risk & control self-assessment with detailed KRI/KCI analysis, Incident Management & Data Collection, Business Continuity Program. All the four components namely, Risk Capital

Reporting, Credit Risk, Market Risk and Operational Risk; can be deployed independent of each other depending on the requirements of financial institutions.

iMAL*RM continues to be a highly parameterized solution making it adaptable to any jurisdiction specific guidelines and quickest to implement. iMAL*RM maintains tight integration with Path Solutions' flagship, AAOIFI-certified and multi-award winning iMAL enterprise banking solution for the global financial services industry and can be easily integrated with other third-party solutions. It is also platform-independent, thus financial institutions can leverage their existing investments in hardware and software and reduce the total cost of ownership (TCO).

Using Path Solutions' iMAL*RM, financial institutions can go beyond minimal compliance requirements as well as rapidly implement best practices in risk management. ■

Path Solutions on top for the fourth time in a row

Named Best Islamic Technology Provider for the 4th year running by REDmoney



December 27, 2011 – Path Solutions today announced that it has been selected as 'Best Islamic Technology Provider of the Year' in REDmoney's IFN Awards Best

Service Providers Poll 2011, which continue to be an apt representation of the current Islamic financial market landscape.

Path Solutions won this category for the 4th year running. An online poll taken by industry practitioners was instrumental in helping judges reach their decisions. IFN Awards Best Service Providers Poll 2011 full results will be published in the IFN Annual Guide in February 2012, along with the winners of the Best Islamic Banks Poll.

"Path Solutions is deeply honored to have been recognized for the fourth time in a row by the readers of REDmoney's IFN magazine. Path Solutions' presence in the Islamic banking market spans more than 20 years, and we pride ourselves on our expertise in this sector," commented Mohammed Kateeb, Path Solutions' Group Chairman and Chief Executive Officer. "Winning this most coveted flagship industry award underlines our leading role in supporting the Islamic finance industry and to providing the best knowledge and expertise to assist our clients in achieving their business objectives."

Path Solutions serves over 76 Islamic banks and financial institutions worldwide. The company has a global footprint across 27 countries and has been acknowledged leader in the Islamic core banking solution space by top industry analysts.

The Islamic Finance news Awards honor the best in the Islamic financial industry. Widely regarded as the most prestigious awards, they are highly recognized by the global Islamic capital markets.

Two gala awards ceremonies to honor the winners for the Poll 2011 and the Deals of the Year Awards 2011 will be taking place in February 2012. The first will take place on the evening of the 15th February in Kuala Lumpur, followed by Dubai on the 29th February. ■

Ahlibank signs for Path Solutions' iMAL

Path Solutions announces first customer in Oman

December 22, 2011 – Ahlibank, one of the leading commercial banks based in the Sultanate of Oman, announced that it has entered into an agreement with Path Solutions, a market leader in Islamic banking software solutions headquartered in Kuwait to deliver and implement Islamic Core banking system iMAL, for the operations of the bank's proposed Islamic banking functions which are set to come online sometime in the end of the first quarter of 2012.

Ahlibank is the first bank in Oman to sign up for Path Solutions' iMAL on September 6. The system will be deployed at the bank's headquarters in Muscat and across its proposed network of Islamic banking branches.

"We are very pleased to forge the partnership with Ahlibank," said Mohammed Kateeb, Path Solutions' Group Chairman & CEO. "Path Solutions offers focused services from installation and implementation through to project management and help-desk. Besides, the advanced architecture of iMAL will allow Ahlibank to expand easily, to keep on innovating and quickly launching new Islamic banking prod-

ucts, thus guaranteeing superior customer experience. We look forward to achieving mission success for Ahlibank”

Ahlibank S.A.O.G., erstwhile Alliance Housing Bank, was born with its new identity on January 5, 2008, following its strategic partnership with Ahli United Bank (AUB), a leading regional commercial bank and International Finance Corporation (IFC), a member of the World Bank Group. Ahlibank has since successfully embarked upon the route of establishing itself as a full-fledged Omani commercial bank.

Following the royal decree issued in early May in Oman paving the way for the authorization of the country's first standalone Islamic bank and for other interested banks to set up dedicated Islamic banking windows; and the subsequent landmark circular BM 1081 issued by the Central Bank of Oman on June 15 allowing conventional banks to operate their Islamic banking business through a 'window' operation, Ahlibank applied for the CBO license.

“We know there is incredible demand in the market for Sharia-compliant products. This initiative marks a dynamic move into cutting-edge technologies that Ahlibank expects to use as a platform to thrive and outperform competition”, commented Abdulaziz Al Balushi, CEO, Ahlibank. “We are confident that with Path Solutions’ knowledge of our business, proven methodology and teamwork approach, we will be able to capitalize on strong, continued growth in the sector, achieve higher returns and greater customer satisfaction, alongside cost saving”.

About Path Solutions

Path Solutions is the 1st Banking Software Solutions’ Provider to be certified by AAOIFI. It offers a wide range of AAOIFI and IAS compliant integrated solutions covering Core Banking, Customer Universal Services, Investment and Private Equity, Treasury, Fund Management and Securities Trading system in the GCC and Global Capital Markets. Services include Project Management and Business Consulting addressing the whole spectrum of the global finance industry and in specific the Islamic finance industry.

Path Solutions’ team of senior business analysts help create a profitable outreach business to compete in a changing market, operational plans to maximize efficiency and effectiveness, business plans to support integration and networks and implementation plans to ensure timely project management. For further details, go to www.path-solutions.com

About Ahlibank

As Alliance Housing Bank for the past 10 years in Oman, it was GCC’s first private sector housing bank with a wide-spread network across Oman. The change in the bank’s identity and name followed its strategic tie up with AUB’s 35 per cent shareholding and IFC’s 9.9 percent stake in the bank. This transformation has translated into establishing a promising presence for the bank in Oman, and diversifying its business portfolio with varied activities including Retail Banking, Corporate Banking and Treasury and Trade finance.

Ahlibank, today, maintains its leading position in providing the most convenient and customer centric services in the sector. Moreover, the bank has made significant progress in building its retail and corporate business, while carefully differentiating the needs of the premium and private banking segments as well as the SME segment. For further details, go to www.ahlibank-oman.com ■

Path Solutions awarded ‘Best Islamic Technology Provider of 2011’ at Oman Islamic Economic Forum



December 21, 2011 – Path Solutions has received the ‘Best Islamic Technology Provider of 2011’ award at the recently concluded Global Islamic Finance Awards organized by Edbiz Consulting in Oman.

The gala awards ceremony took place on December 17 at Al Bustan Palace, Muscat. Committed to recognizing pioneering initiatives, the GIFA awards recognize and celebrate success and contributions of individuals and institutions in the Islamic financial services industry.

The trophy, which was granted to Path Solutions, was received by Stanley T. Young, SVP Worldwide Sales who commented by saying, “We are delighted to get industry recognition for the value Path Solutions brings to the global Islamic finance industry. This award is a great achievement and testimony to our ability to respond to a challenging year and continue to be at the forefront of a growing industry”.

Path Solutions has maintained a leading position in the Islamic financial software market and has gone from strength to strength in 2011, successfully winning a number of awards, including:

- ‘Best Islamic Technology Provider of the Year’ for the 4th year running in RedMoney’s IFN Awards Best Service Providers Poll 2011.
- ‘Most Outstanding IT Company for Islamic Finance’ for the second year in a row at the 8th KLIFF Islamic Finance Awards 2011.

The Global Islamic Finance Awards (GIFA) are the first of their kind in Islamic banking and finance. GIFA is based on objective proprietary methodology and provides ample opportunities to all to compete by excelling in their respective fields. ■

CONGRATULATIONS



We are pleased to express our sincere congratulations for Maldives Islamic Bank on winning the award for ‘Best New Bank’ at the Islamic Business & Finance Awards 2011 organized by CPI Financial on December 14, at the Emirates Towers Hotel in Dubai.

With the best of luck and every success in the future.

Amāna Bank



Path Solutions is pleased to congratulate Amana Bank on winning the award for ‘Best Islamic Bank in Sri Lanka’ at the global Islamic Finance News poll for 2011 conducted by the Malaysia-based RedMoney Group last December.

Best wishes for a distinguished and bright future!

PUBLISHED ARTICLES

by **Dr. Armen V. Papazian**
CEO of Keipr

Space Value of Money, Risks, and Islamic Finance

Islamic finance has achieved progress and growth in a challenging decade. We have witnessed innovative structures, new macro institutions, multilateral organizations, new products and services, geographic expansion, asset growth, technological innovations and more players, all aimed at building the pieces of a greater puzzle. Interestingly, we have yet to achieve significant progress in financial valuation.

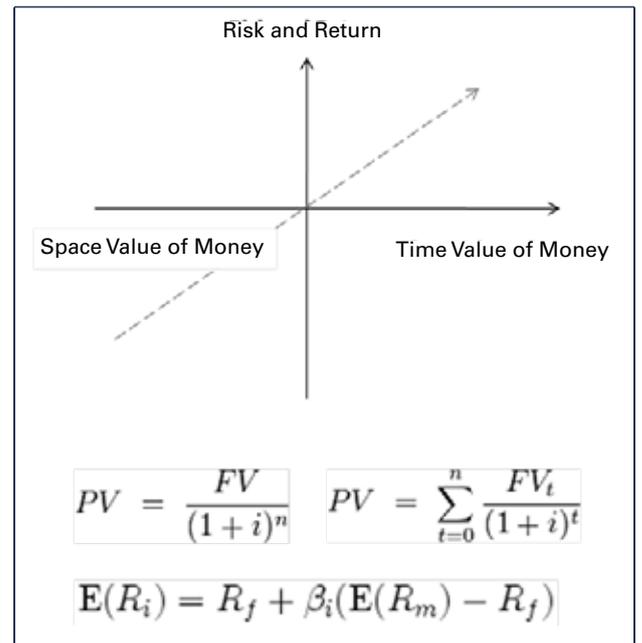


Islamic instruments have a unique set of rules and thus require that our risk and value assessments reflect the economics of the products and structures used. I have previously proposed the universal concept of Space Value of Money as a valuation metric still missing in conventional finance. The key principles used to value investments and cash flows are Time Value of Money and Risk and Return without any reference to the space impact of cash flows. Indeed, when valuing or choosing investments, conventional finance makes no distinction between investments that involve real activity, and investments that do not.

Islamic finance is different in this perspective as it requires its instruments to generate returns from real activity. Through the prohibition of interest Islamic finance requires projects and instruments to have space value of money.

In this short paper, I expand the discussion, reveal key aspects and coefficients that are needed to do an effective assessment of space value of money.

As defined previously, an investment project of whatever nature has space value of money when it achieves its earnings by using, alongside time and capital, real people and real assets. The real activity involved gives the project a community impact that would otherwise be absent if the earned return was to be interest on time and capital alone. Space value of money is the aggregate real asset impact of a project.



In time value of money analysis, discounting is based on the key element of a discount rate which is defined as the return on an alternative investment of identical risk levels. Time value of money analysis discounts future cash flows and it is primarily an evaluation of profits based on opportunity cost.

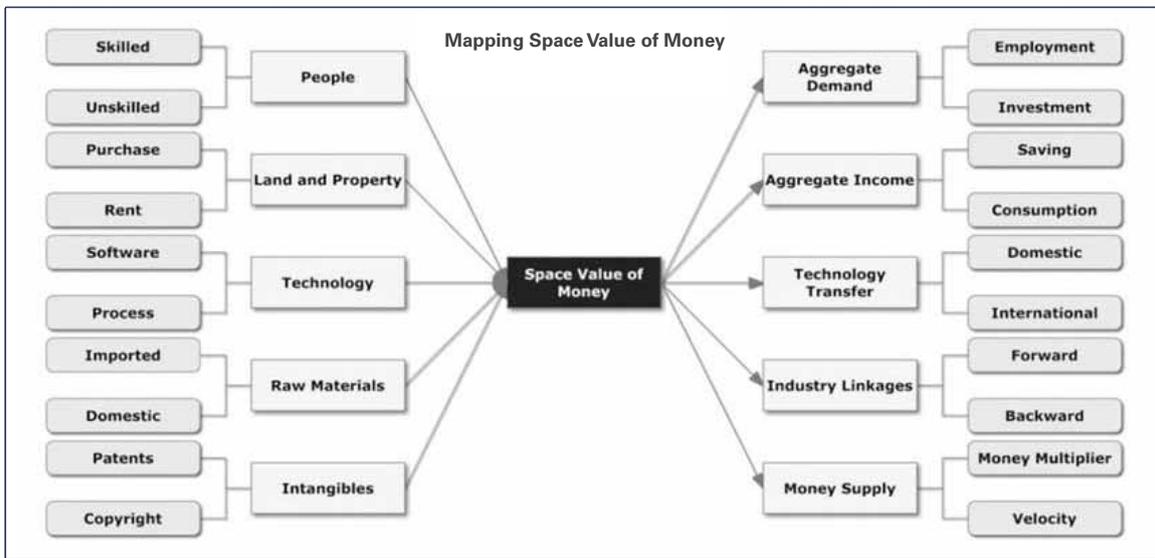
When calculating space value of money, there is no such return rate with which to discount the cash flows. Instead, investments are scored based on their space impact, risks, and sustainability. Furthermore, space value of money analysis is geared towards the real impact of the initial investment and the breakdown of operational budgets throughout the years. Space value of money analysis tracks initial and future spending into the economy.

For example, a project with locally sourced capital has a very different space impact than a project that consists in net capital inflow into the economy. Similarly, a project financed through newly issued debt has a different money supply impact than a project financed through equity investments. The source and type of capital figure describes the money supply impact of a project at the initial stage of investment. Once the investment is carried out, new salaries create new deposits, which potentially lead to new credit and further money supply increases in all four cases described.

Looking at the assets in more detail, the following mapping exercise links assets and their type or mode of utilization to real aggregate variables. Each investment has its own unique map and the following is an example.

Source and Type of Capital and Impact on Domestic Money Supply (I)			
Space Value of Money Analysis on Money			
NATURE OF CAPITAL			
		DEBT	EQUITY
SOURCE OF CAPITAL	INTERNAL	+ If Bank Credit = No Change If Shareholder Loan	= No Change
	EXTERNAL	+ Net Capital Inflow	+ Net Capital Inflow

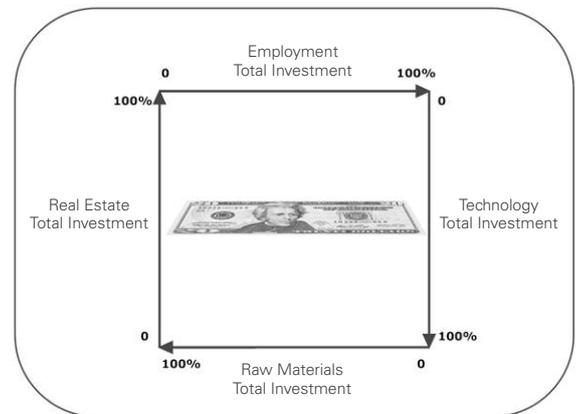
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When assessing the different components of the space impact of an instrument or project, it is crucial to identify the monetary coefficients of each variable or type of asset. Along with the mode of utilization, the amount of cash dollars allocated to each type of asset is a crucial parameter in the assessment of the space impact of an investment.

In parallel to the above, a space value of money valuation exercise includes a risk analysis that is different from the conventional approach. Simply put, the execution of an Islamic instrument of whatever nature includes risks that are linked to the assets involved, the mode of their utilization, the effectiveness of coordination, the capabilities of execution, the legal framework that supports the transaction and sub transactions, the supply of technological knowhow, the barriers to trade, the availability of resources, and the quality of policy making from a micro and macro perspective.

The space value risks figure describes risk sources as a simple example for the purpose of this discussion. In practice, a space value risk assessment is a tailor-made matrix to each investment or instrument where each category of entry is broken down into further details.



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As described here, in a space value of money valuation exercise we do not seek the return on an alternative investment of similar risk levels (discount rate), we seek to actually score the investment itself. We do not discount cash flows, but identify and score events that may cause cash flow fluctuations, declines, and disruptions.

Why would any institution care about the space value of money of the instrument or project it is investing in? Sovereign wealth funds, government agencies, public pension funds, and other institutions concerned with economic growth, production, employment, and technological advancement cannot afford to ignore the space impact of their investments. Due to the need to focus on growth, an analytical framework that measures the space impact of different investments is a necessity. This is also true for private investors and private project owners.

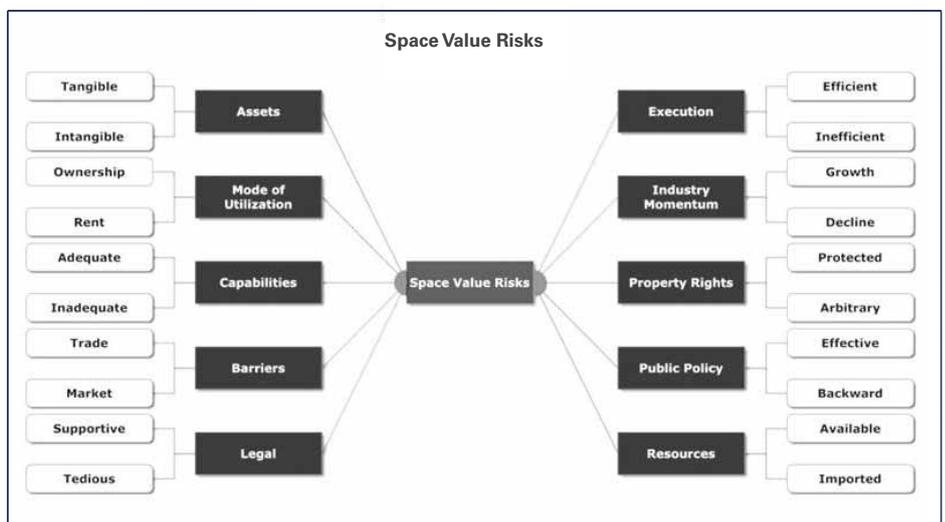
The recent crisis has demonstrated that we ignore the space impact of our policies and investments at our own expense. Cash flows generated through real activity can still be discounted to assess their time value of money. The point is, their true risks and value can only be assessed from a space and time perspective combined.

If Islamic instruments must involve real activity and real assets, an instrument's value assessment must include some measure of its space impact. Otherwise, we could find ourselves in the awkward position of trying to measure mass with a ruler.

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Dr. Armen V. Papazian is a financial economist, consultant, speaker and founding CEO of Keipr. He is a former Head of Islamic Finance at UBS, a former MD for Innovation and Development at DIFX - Nasdaq Dubai, a former Honorary Fellow of the Cambridge Judge Business School, UK. He earned his PhD in financial economics at the University of Cambridge, King's College, Cambridge, UK.

www.keipr.com



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INTERVIEW

Mr. Mohammed Kateeb Group Chairman & CEO, Path Solutions



• **What is the importance of technology in Islamic banking & finance? Is it any different from conventional banking?**

At our current times, technology has become crucial to any industry to drive operational efficiency, enhance customer service etc. and the Islamic financial industry is no different. This has been magnified in importance by the financial crisis where decline in profitability in the Islamic financial institutions and tremendous increase in regulations made IT solutions critical for this industry to continue to strive. The second point here is that Islamic financial institutions are in direct competition with conventional banks and they have to acquire the same if not better technology solutions than their counterparts to actually compete. I say better because in addition to conventional banks basic operations that have Shariah-compliant equivalents, there is the complexity of Shariah-compliant products structures, profit calculations, etc.

Customers are becoming very demanding of their banks regardless if they're conventional or Islamic. The world is changing and customer experience is continuously being enhanced using technology. New delivery channels are putting customers in control through technology and banks have to provide the 24x7 access that customers need and the know-how that they demand.

• **What are your plans for Path Solutions for the next 12 months?**

Path Solutions is completely focused on the Islamic financial industry. Based on our extensive research we believe this industry will continue to strive for the next five years where the number of financial institutions will be reaching the 1000 mark. Path is in a great position to capitalize on this. In the next 12 months, we are focusing on perfecting execution and building more agility into our business. We will continue to expand our product line and geography coverage. We want to solidify our position as the undisputed IT solution leader in Islamic finance.

• **You are perhaps the only global tech-**

nology firm that exclusively specialises in Islamic banking & finance. When did you realise that Islamic banking & finance was the niche you would like to tap on?

We started our company in 1992 and during the 90s we built ERP class solutions, did IT consulting and provided professional services to many financial and non-financial companies. Some of these companies were Islamic financial institutions. It was in the late 1990s that we realised the importance of this segment and the tremendous growth expected. We decided to focus completely on this segment and drop everything else. It was a great decision. We decided to build a set of Shariah-compliant fully integrated IT solutions that are designed to cater for all Islamic products, meet the increasing demand of this segment and be flexible to allow each bank to customize its own products based on its Shariah board requirements. In addition to that, the system should provide state-of-the-art technology and should be comprehensive to cover all business needs. Many of our customers run their complete bank operations using our system with no need for any additional third-party products. In addition to a large portfolio of Islamic banking software solutions, we also offer other services, such as consulting, professional services, training and support.

• **What are the IT-related challenges faced by the Islamic financial services industry?**

One of the main challenges that face this industry is the masking of many conventional IT systems and positioning them to be Shariah-compliant. These systems do not comply with the Shariah financial regulatory requirements of the respective country. They are limited in flexibility and ease of use and don't allow the building of customized Islamic financial products that can be bought to market in reasonable time. This industry still lacks of many standards, as a single rigid solution will not meet Islamic institutions requirements. The solution should be designed to allow tremendous customization capabilities because this is critical for the success of the Islamic financial institutions operations.

• **Ambition or talent: which matters more to success? In case of Path Solutions, what has contributed most to the success of your business?**

Hard work! Ambition and talent are important and required for success, but hard work is what brings it all together. We had the ambition to be the leader for the Islamic finance IT solutions segment; we brought in talented people to execute; but tremendous hard work on all stages of building these solutions is what brought us where we are today. I subscribe to the theory that success is 95% hard work.

• **What is the size of the Islamic financial technology market? What are the driving factors in its further development and growth?**

As per Gartner February 2011 Report, the Islamic banking system market -

that is, the market of the technologies that enable these financial products - is predicted to be a \$1.2 billion market in 2011 and to grow at a 10.9% compound annual growth rate (CAGR) until 2014, while the external IT spending component will have a higher CAGR, at 18.1%. Thus, the total market size will grow from \$1.2 billion in 2011 to about \$1.6 billion in 2014. That is a phenomenal growth largely driven by some key market trends and increasing demand for such banking systems.

In addition there are tremendous interests from conventional banks to offer Shariah-compliant financial services in a form of Islamic windows which have given a boost to this industry. Of course the evolution of a more robust regulatory framework has also pushed these financial institutions to deploy better IT systems and drive a huge replacement initiative of their existing systems to systems that can help them achieve their objectives.

Customers' requirements are also a key factor for technology growth. Institutions are asking for more sophisticated peripheral systems, for example business intelligence, risk management, regulatory reporting and delivery channels; anything that helps them run more efficiently, control their business better and gives them insight into their business. IT solutions need to play as a differentiator; we have to keep up with the most sophisticated banking technologies, hence the need to continue to invest in R&D.

• **How difficult is it to manage a company with global operations, headquartered in Kuwait, Research & Development Centres in Lebanon & Cairo, and clients spread all over the world?**

I believe technology has changed all the rules regarding geographic distribution. Almost all multinational companies have their operations offices spread all over the world and if we consider the outsourcing and off shoring and the makeup of a virtual company it gets much more complicated. Technology enables all of us to achieve integration. We believe in being close to our customers and we believe in having direct presence in their countries. We also believe in having R&D offices where affordable talent is. We have R&D office in Beirut, one in Egypt and the third one is of course in our HQ in Kuwait. The office in Kuwait allows us to mix many nationalities and bring talent from India, other Middle Eastern countries and even Europe and the USA. There are advantages for having centralized model but we believe the advantages we are getting from the distributed model outweigh the disadvantages and we always have technology to make all this work!

• **If someone says that technology is technology, nothing is Islamic about it. What would you say?**

We of course disagree on this, and we have built a very successful company because we disagree. We also have over 75 Islamic financial institutions world-

wide who agree with our point of view. Actually whenever we have a chance to debate this point and present our solutions to any potential customer we usually win. Islamic finance has different processes governed by different regulations, different policies and procedures and extensive unique documentations when compared with conventional finance. Profit and the way it's calculated is completely different than interest, investment and financing products are different, and of course all these fundamental differences lead to the need to have the IT solution that is designed based on the understanding of Islamic finance.

• **What distinguishes Path Solutions from its competitors?**

The answer is execution on a vision, comprehensive solution, fast deployment of these solutions and great support of our customers. This all translates to great total cost of ownership and tremendous value delivered to customers.

We realised early that Islamic finance is unique and different than conventional finance and we strived to be IT leader for the segment. We designed and built our solutions to cater for Islamic finance needs. We partner with key organizations and thought leaders in the industry. We are the first AAOIFI-certified software firm. The certification covers all Islamic banking modules, business processes, contracts, Islamic accounting principles, implications and behavior.

We built our solutions to be comprehensive, modular, integrated set of solutions that offer functionality as good if not better than any conventional system out there! We offer modules that perform Core Banking, Investment, Financing, Treasury, Trade Finance, Retail and Corporate Banking in addition to Delivery Channels management and integration.

A very strong competitive advantage we have is the speed of our deployment and bringing our customers live. While many of our competitors struggle to bring their customers live, we had new banks live in two to three months and have existing large banks migrated off their legacy systems in just nine months. This is unparalleled in our industry.

Of course we have a great model for supporting our customers and continuously bringing them to the newest version of our solutions at no additional cost. Customers continuously get the most updated solutions as part of their maintenance contract.

• **In your observation and opinion, what has been the impact of the on-going financial crisis on Islamic banking & finance?**

I believe the financial crisis highlighted the strengths of Islamic finance concepts. Tying assets to transactions is of critical importance. Pure economies based on Islamic finance would never have had such crisis, but we all know such economies don't exist. The future impact of this crisis on our industry would be decided based on our behavior in the next few years. If the Islamic finance industry capitalized on this crisis by halting the translation of conventional products and financial instruments to Islamic and by returning to the spirit of Islamic finance and addressing the shortcomings, I believe it would have had tremendous positive impact. If we continue to do what we have done in the past years, this segment will continue to grow, but also will continue to be a sub segment under conventional finance impacted by all the forces of conventional finance. It will never realise its full potential.

• **Which one is the most interesting country from the viewpoint of your business?**

We serve our segment in markets from as far as Malaysia in the East all the way to United Kingdom in the West, and with Islamic finance emerging strongly in Africa, Central Asia and even China, we are excited by the new opportunities they bring.

We are in fact very much enthusiastic about the development of Islamic finance worldwide. Malaysia continues to lead in Islamic finance with many interesting initiatives, e.g. International Islamic Liquidity Management initiative and others are starting there. But also countries like Sudan where Islamic finance is the only form of finance; Oman announcing the opening up for Islamic banks to curb fund outflows, positive development in Egypt as well, Qatar and UAE leading different initiatives; seeing Central Banks representatives from countries like South Korea and Japan attending Islamic finance conferences is also a positive sign; of course seeing Islamic finance reaching Moscow, Central Asia, and North America and further development in Europe is all very exciting stuff for us! ■

'This interview was first released in Islamic Finance Review dated November 2011, and published by BMB Islamic'

EVENTS&CEREMONIES

Proactive and successful participation of Path Solutions in Oman Islamic Economic Forum

December 20, 2011 – Islamic banking solutions provider, Path Solutions participated as Technology Partner in the first Oman Islamic Economic Forum (OIEF) held on December 17-18 at Al Bustan Palace Hotel in Muscat. Path Solutions' booth was visited on a constant basis by well-known local IT Managers as well as new comers to the industry.

Path Solutions' participation was also in the form of a speech on 'AAOIFI-certified technologies for Islamic Finance' given by Stanley T. Young, SVP Worldwide Sales at Path Solutions.

The forum which was organized by Edbiz Consulting and Amjaad Development Company in association with Bank Nizwa, Oman's first upcoming fully fledged Islamic bank, brought together a number

of financial practitioners and key decision makers from within Oman and internationally.

The forum's sessions discussed themes pertaining to 'competing Islamic banking regulatory models, the right Islamic banking model for Oman, Islamic banking as a tool for economic reform' and other critical issues.



Path Solutions offers a complete Islamic banking product suite for retail, corporate, investment and internet banking as well as a product for Islamic window operations of conventional banks. Since its launch in 1992, more than 73 financial institutions in over 27 countries have chosen iMAL Islamic banking system. ■

CORPORATE ACADEMY NEWS

Islamic IT related courses at Ecole de Management Strasbourg - France



The Ecole de Management Strasbourg is recognized as the Business School of the University of Strasbourg. This model, inspired by international references, enables the combination of academic ben-

efits and university support while relying on solid partners from the public sector, EM Strasbourg-Partenaires, involving 160 partner companies, and the network of its 11,000 alumni.

Enjoying extensive autonomy with regard to its development policy, located within a first-rate academic environment and benefiting from an EPAS accreditation for its Grande Ecole programme, the EM Strasbourg Business School is internationally renowned and focuses on a global approach modeled on the EQUIS and AACSB accreditations.

The ambition of EM Strasbourg Business School is to train managers capable of adapting to the new challenges of global management and the digital economy. The school ensures that each graduate will master the cross-sectional and specialized knowledge and skills essential for business development throughout the world. It also places great emphasis on transmitting the values of sustainable

development management, ethics and diversity.

Having this goal in mind, EMS France has partnered with Path Solutions in 2008, to provide Islamic IT related courses for Master Students with emphasis on Islamic Banking and Finance.

Courses were successfully given by Path Solutions' Corporate Academy's Assistant Manager, Sebouh Guronlian, on the 7th and 8th of December 2011, in which the attendees learned how to transform Islamic banking theories into practical cases using a powerful IT tool, Path Solutions' iMAL.

Coming from different backgrounds with some Islamic banking knowledge, the attendees appreciated the effectiveness and efficiency of iMAL; being user definable and modular in approach, the solution offers total flexibility and enables users to align with industry best practices. ■

TRAININGS

Soft Skills Training Schedule

Course	Date	Time	Trainer
Emotional Intelligence and Motivation	March 2nd, 2012	9:00 AM to 5:00 PM	Sebouh Guronlian
BeyondTime Management	March 8th, 2012	9:00 AM to 5:00 PM	Joseph Moghabghab
The Power of Trust	March 22nd, 2012	9:00 AM to 5:00 PM	Joseph Moghabghab
Consultancy Behavioral Skills: Negotiation Skills	April 3rd, 4th & 5th, 2012	9:00 AM to 5:00 PM	Joseph Moghabghab
Consultancy Behavioral Skills: Communication Skills	April 25th & 26th, 2012	9:00 AM to 5:00 PM	Joseph Moghabghab
Islamic Accounting and Financial Concepts	May 9th, 10th & 11th, 2012	9:00 AM to 5:00 PM	Joseph Moghabghab

Soft skills include attitudes, behaviors and interpersonal skills which are imperative to all businesses, and can actually mean the difference between success and failure. Understanding the importance of these traits in employees is essential for a highly focused business environment, and since soft skills need to be developed through constant practice and training, the Corporate Academy scheduled a series of courses targeting the ability of how to use common sense, deal with people effectively and have a positive flexible attitude at work.

Some of these skills include:

Interpersonal Skills: Interpersonal skills involve getting along with people at all levels in the work place; customers, co-workers, supervisors, etc. These skills enable a person to work with others in a positive and harmonious manner. A person with good interpersonal skills shows empathy and enthusiasm, maintains a positive flexible attitude and acts in a professional manner, even under stressful circumstances.

Communication Skills: Effective communication skills can be some of the most important skills we can learn. They can benefit us in both our personal lives, as well as in the work place. Communication involves both listening and speaking. To be a good communicator one must have an open mind, carefully listen to what others have to say and then get his own ideas across in a way that the other person clearly understands. ■

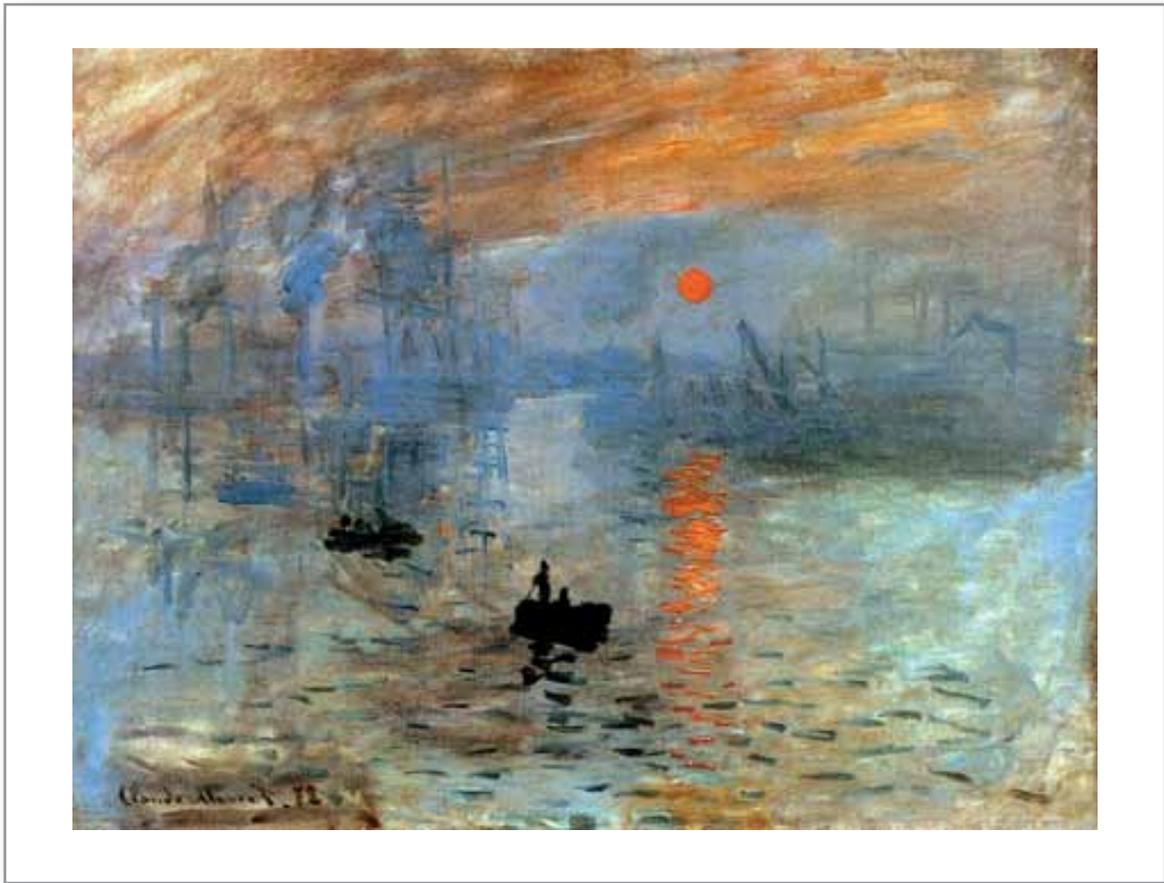
Certified Information Systems Auditor



Mohamad Hammoud, Senior Business Analyst - Product Management & Delivery Channels at Path Solutions has achieved the Certified Information Systems Auditor (CISA) certification.

Since 1978, the CISA program has been the globally accepted standard among information systems (IS) audit, control, and security professionals. The program provides the trainee with the tools to build his technical skills to develop, manage, and perform IT security audits.

Congratulations Mohamad and well done!



iSHRAQ

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PATH SOLUTIONS' EVENTS CALENDAR 2012

EVENT	DATE	LOCATION	ORGANIZER	SPONSORSHIP
Banking Technology Egypt Summit	26 - 27 March	Egypt	IQPC Middle East FZ LLC	Exhibitor
Forum Africain de la Finance Islamique	19 April	Tunisia	Isla Invest Consulting	Technology Partner
MEFTEC 2012	25 - 26 April	UAE	Media Generation Exhibitions	Silver Sponsor



Diploma in Islamic Banking

The Diploma in Islamic Banking provides an understanding of the concepts and operating principles that apply to different types of Islamic banking in comparison to conventional banking. It also provides an overview on Islamic insurance termed as Takaful. The course consists of 23 lessons structured around five modules.

Course Duration

9 months

Course Fee

£ 335.00, this amount is payable on acceptance of the application.

It covers the cost of registration, one-year membership, course study material, tutor support and one time examination fee.

Mode of Study and Tutor Support

This course is based on the distance learning method convenient for home study and correspondence by e-mail.

To apply for this programme: www.islamic-banking.com/course_app_form.aspx

ISLAMIC BANKING COURSES



MBA in Islamic Banking and Finance

The objective of this program is to develop competent professionals who are well qualified and practiced, not only with the Islamic Banking and Finance subjects, but also in other managerial areas.

Mode of Education

Online / Distance Learning

Estimated Duration 12-14 months

Learning Methodologies

- 24/7 Academic Support over email
- Study manuals for each course
- Islamic Finance e-Library
- Progress Monitoring
- Discussions

Credit Hours

42 credit hours of Graduate Studies

Total Semesters 4

Registration Validity 3 Years

Certificate Awarded

MBA in Islamic Banking & Finance

Application

To book the course: <http://www.learnislamicfinance.com/enrollnow.htm>

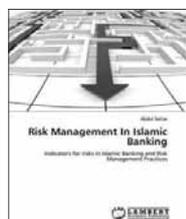
ISLAMIC BOOKS

Financing and Raising Capital: Ofinance



Paperback 240 pages
Publisher Bloomsbury Acad & PR
ISBN 9781849300193

Financing and Raising Capital covers all the options for raising finance at different stages of a company's growth: angel finance, venture capital funding, both public and private equity, raising capital from both small and institutional investors, issuing debt, and securitisation.



Risk Management in Islamic Banking

Author Abdul Sattar
Paperback 96 pages
Publisher Lambert, Academic Publishing
EAN 9783845407166
ISBN-10 3845407166
ISBN-13 978-3-8454-0716-6

This book provides a comprehensive and all-encompassing view of different Risk Management practices in Islamic banking and finance. It is equally helpful to build a theoretical understanding of Risk Management techniques in Islamic banking as well as for professionals who are practically applying these practices.

The Handbook of News Analytics in Finance



Author Mitra Gautam & Leela Gautam
Paperback 384 pages
Publisher John Wiley & Sons
ISBN-10 0-470-66679-X
ISBN-13 978-0-470-66679-1

The Handbook of News - Analytics in Finance introduces news analytics and their applications to finance, focusing in particular on trading and risk management. It analyzes the range of models that can be used in trading and risk management functions, explains how these models work, the behavioral and mathematical underpinnings, and how they can benefit trading and risk management systems.

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