



اَللّٰهُمَّ صَلِّ وَسَلِّمْ وَبَارِكْ وَسَلِّمْ  
UNIVERSITI  
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ACADEMY OF CONTEMPORARY ISLAMIC STUDIES (ACIS),  
MACHANG, KELANTAN

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**GROUP: 3**

**CASE STUDY: MONEY LAUNDERING & MULTI-LEVEL MARKETING (MLM)**

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## STUDENTS DECLARATION

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## ACKNOWLEDGEMENT

The Almighty God, Allah SWT, is the most deserving of praise and thanks for His grace and guidance, without which we could not have finished this article review to the standard it deserves.

We sincerely thank Dr. Ahmad Murshidi bin Mustapha for all of his help and assistance during this investigation. The effectiveness of this study has been greatly enhanced by the knowledge, commitment, and perceptive advice of Dr. Ahmad Murshidi.

The way our work has evolved has been greatly influenced by his persistent dedication to quality and his eagerness to impart his wealth of expertise. Being able to work with such a renowned and esteemed expert has been an absolute blessing for us.

Ultimately, we have encountered many obstacles and hurdles, but with Allah SWT's blessings and everyone's help, we haven't given up on finishing our work. Thank you; that is all.

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## **1 INTRODUCTION**

A growing number of people are becoming aware of money laundering as a criminal activity that seriously threatens both national and international financial institutions. Illegal money infiltration leads to inflation, destabilises currencies, and exacerbates economic instability. Money laundering is necessary to safeguard and convert the illegal riches that criminals get via a variety of illicit activities. By legalising illegal cash through a variety of financial institutions and non-financial entities, advanced technology exacerbates the problem. In order to avoid disclosing suspicious transactions, money laundering adapts to both conventional and complex strategies, incorporating unscrupulous acts.

Multi-Level Marketing (MLM), on the other hand, is well-known for its distinctive business strategy and benefits including high compensation and cheap capital needs. However, given the lack of clarity and public understanding around Sharia parts of contracts and transactions, concerns have been raised over its compatibility with Islamic principles. The lack of official Sharia assessments exacerbates this problem. Given the significance of information in Islamic teachings, it is important to comprehend how MLM transactions adhere to Sharia law. This is in line with Saidina Umar al-Khattab RA's instruction to research the religious background of transactions prior to participating in them.

## **2 RESEARCH OBEJECTIVE**

The two primary aims or objectives of this study were pursued. These are the following lists of these two goals.

1. Identify the concept of money laundering and multi-level marketing (MLM)
2. Analysis of the issues of money laundering and multi-level marketing (MLM) as well as fatwa from Islamic scholars.

## **3 RESEARCH METHODOLOGY**

There is no fieldwork involved in this study; instead, it only employs library technique which is qualitative methodology. Researchers think that this approach is low cost and can save a lot of time. However, because it mainly uses reference books, the internet, and scientific publications, this approach has limitations when it comes to acquiring knowledge about the subject. On the other hand, the investigator believes that this approach is appropriate for this