



PERSONAL FINANCE PLANNING
THE FACTORS OF ACCEPTANCE OF ISLAMIC BANKING

KAHAIRUL B. ABD KARIM MOHAMAD
2008374599

BACHELOR OF BUSINESS ADMINISTRATION
(HONS) FINANCE
FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
BANDARAYA MELAKA

OCTOBER 2010

**THE FACTORS OF ACCEPTANCE
OF ISLAMIC BANKING**

**Submitted in Partial Fulfillment
Of the Requirement for the
Bachelor of Business Administration
(Hons) Finance
FACULTY OF BUSINESS MANAGEMENT
UITM, BANDARAYA MELAKA**

OCTOBER 2010

DECLARATION OF ORIGINAL WORK



**BACHELOR OF BUSINESS ADMINISTRATION
(HONS) FINANCE
FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
BANDARAYA MELAKA**

“DECLARATION OF ORIGINAL WORK”

I'M, KAHIRUL B. ABD KARIM MOHAMAD, 870309565405

Hereby, declare that,

- This work has not previously been accepted in substance for any degree, locally or overseas and is not being concurrently submitted for this degree or any others degrees
- This project paper is the result of my independent work and investigation, except where otherwise stated
- All verbalism extract have been distinguished by quotation marks and source of my information have been specifically acknowledged.

Signature: Date:

LETTER OF SUBMISSION

The Head of Program
Bachelor of Business Administration (Hons) Finance
Faculty of Business Management
Universiti Teknologi MARA
72400 Bandaraya Melaka
Melaka

Dear Madam,

SUBMISSION OF PROJECT PAPER

Attached is the project paper titled “THE FACTORS OF ACCEPTANCE OF ISLAMIC BANKING” to fulfill the requirement as needed by the Faculty of Business Management, University Technology MARA

Thank You

Your Sincerely

.....

KAHAIRUL ABD KARIM MOHAMAD

2008374599

Bachelor of Business Administration (Hons) Finance

ABSTRACT

Islamic banks have been operating like other traditional bank about four decades. They also mobilize deposits and produce loans based on Islamic Law (Shari'ah), which are different from the other conventional or commercial banks. Therefore, Islamic banking differs from conventional banking in several ways, such as the prohibition of transactions based on interest rate and the requirement that bank's operations be carried out according to certain procedures through the use of certain financial instruments [Abdu IQawi, O. and O. Lynn, 2001.]. However, the Islamic bank can also offer products and services which are similar to those offered by a conventional bank. Generally, we can define the Islamic bank as a non-interest based financial institution which complies fully with Islamic Laws and has creative and progressive financial engineering to offer efficient and competitive banking, investment, trade finance, commercial and real estate financing services [Abdul Qawi, O. and O. Lynn, 2001.].