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FAMILY HOMES SUKUK ISSUANCE PROGRAM PLC

(A SPECIAL PURPOSE VEHICLE INCORPORATED AS A PUBLIC LIMITED LIABILITY IN THE FEDERAL REPUBLIC OF NIGERIA)

RC 1724561

₦10,000,000,000 13% Series I Ijara Lease Sukuk due 2028
(being offered to Qualified Institutional Investors and High Net Worth Individuals)

Under the ₦30,000,000,000 Sukuk Issuance Programme

Book Build Open: June 25, 2021

Book Build Close: July 6, 2021

This Pricing Supplement has been prepared pursuant to Rule 321 of the Rules and Regulations of the Securities & Exchange Commission ("the Commission" or "the SEC") in connection with the issuance of a ₦10,000,000,000 Sukuk under the ₦30,000,000,000.00 Sukuk Issuance Programme established by Family Homes Sukuk Issuance Program Plc ("the Issuer"). This Pricing Supplement is supplemental to, and should be read in conjunction with, the Shelf Prospectus dated July 15, 2021 and any other supplements to the Shelf Prospectus as maybe be issued by the Issuer. Terms defined in the Shelf Prospectus have the same meaning when used in this Pricing Supplement. A copy of this Pricing Supplement has been delivered to the Commission for registration.

To the extent that there is any conflict or inconsistency between the contents of this Pricing Supplement and the Shelf Prospectus, the provisions of this Pricing Supplement shall prevail. This Pricing Supplement may be used to offer and sell the Sukuk only if accompanied by the Shelf Prospectus. Copies of the Shelf Prospectus can be obtained from the Issuing Houses.

The registration of the Shelf Prospectus and this Pricing Supplement shall not be taken to indicate that the Commission endorses or recommends the Securities or assumes responsibility for the correctness of any statements made or opinions or reports expressed in the Shelf Prospectus or this Pricing Supplement. No Securities will be allotted or issued on the basis of the Shelf Prospectus read together with this Pricing Supplement later than three years after the date of the issue of the Shelf Prospectus.

This Pricing Supplement contains particulars in compliance with the requirements of the Commission for the purpose of giving information with regard to the securities being issued hereunder ("the Series I Sukuk" or "Sukuk"). An application has been made to NGX/FMDQ for the listing of the Sukuk. The Sukuk also qualify as securities in which Trustees may invest under the Trustee Investments Act (Cap T22) Laws of the Federation of Nigeria ("LFN"), 2004 and as a security under Section 20(1)(g) of the Personal Income Tax Act, Cap P8, LFN, 2004 as well as Section (19)(2) of the Companies Income Tax Act, Cap C21, LFN, 2004. Investors are advised to also note that liability for false or misleading statements or acts made in connection with the prospectus is provided in sections 85 and 86 of the ISA 2007.

The Issuer accepts full responsibility for the accuracy of the information contained in this Pricing Supplement. The Issuer declares that having taken reasonable care to ensure that such is the case, the information contained in this Pricing Supplement is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information. Save as disclosed herein, no other significant new factor, material mistake or inaccuracy relating to the information included in the Shelf Prospectus has arisen or has been noted, as the case may be, since the publication of the Shelf Prospectus. Furthermore, the material facts contained herein are true and accurate in all material respects and the Issuer confirms that, having made all reasonable enquiries, to the best of its knowledge and belief, there are no material facts, the omission of which would make any statement contained herein misleading or untrue.

LEAD ISSUING HOUSE



RC 1381308

JOINT ISSUING HOUSES



RC 1451741



RC 189502

SHARI'AH ADVISER



RC 1153581

THIS PRICING SUPPLEMENT IS DATED THIS 15TH DAY OF JULY 2021

This Shelf Prospectus will be available on the following websites

www.fhfl.com.ng

www.sec.gov.ng

TABLE OF CONTENTS

1. SUMMARY OF THE OFFER.....	3
2. PARTIES TO THE OFFER.....	7
3. INDICATIVE TRANSACTION TIMELINE.....	10
4. PROFILE OF DIRECTORS AND DIRECTORS OF THE SPONSOR.....	11
5. DECLARATION OF THE ISSUER	15
6. MATERIAL ADVERSE CHANGE STATEMENT	16
7. SUKUK STRUCTURE OVERVIEW	17
8. SHARI'AH COMPLIANCE	19
9. OTHER DISCLOSURES.....	25
10. USE OF PROCEEDS	28
11. RENTAL PAYMENT SCHEDULE.....	29
12. EXTRACT FROM REPORTING ACCOUNTANT'S REPORT	30
13. APPENDIX I- EXTRACT OF RATINGS REPORT	35
14. APPENDIX II - EXTRACT FROM SERIES I TRUST DEED.....	37
15. APPENDIX III - LIST OF SUKUK ASSETS.....	46
16. APPENDIX IV - PROCEDURE FOR APPLICATION AND ALLOTMENT	47
17. APPENDIX V - COMMITMENT FORM.....	49

1. SUMMARY OF THE OFFER

The following Summary does not purport to be complete and is qualified in its entirety by the remainder of this Pricing Supplement as a whole, the Shelf Prospectus and other documents, if any, incorporated by reference into this Pricing Supplement.

FINAL TERMS OF THE SERIES I SUKUK		
1.	Issuer:	Family Homes Sukuk Issuance Program Plc
2.	Sponsor:	Family Homes Funds Limited
3.	Description:	₦10,000,000,000 13% Series I Ijara Lease Sukuk Due 2028
4.	Series Number:	I
5.	Aggregate Nominal Amount:	₦10,000,000,000.00
6.	i) Issue Price:	At par ₦1,000 (One Thousand Naira) per unit of the Sukuk
7.	i) Gross Proceeds:	₦10,000,000,000
	ii) Net Proceeds:	₦9,800,000,000
8.	Subscription:	Minimum of ₦10,000 multiples of 10,000 thereafter
9.	Denomination:	₦1,000 (One Thousand Naira)
10.	i) Issue Date:	July 15, 2021
	ii) Rental Commencement Date	January 15, 2022
11.	Tenor:	7 years
12.	Maturity Date:	July 15, 2028
13.	Rental payment rate / returns basis	13% per annum/fixed return
14.	Redemption/Payment Basis:	Amortising
15.	Oversubscription:	In the event of an oversubscription, the Issuer may issue up to an additional 15% of the proposed Series I issue size; and reserves the right to do so Family Homes Funds Limited (FHFL) shall provide additional assets to absorb any oversubscription amount
16.	Status of the Sukuk:	<ul style="list-style-type: none"> The Sukuk qualifies as securities in which Trustees may invest under the Trustees Investment Act, Cap T22, LFN 2004; and The Sukuk shall be direct, unsecured, senior and unconditional obligations of the Issuer and shall rank pari-passu among themselves and equally with other existing obligations of the Issuer
17.	Security:	The Family Homes Sukuk Issuance Programme Plc Ijara Sukuk due 2028 is backed by the full faith and credit of Family Homes Funds Limited

		<p>Accordingly, Family Homes Funds Limited has committed to guarantee the full repayment of the Sukuk obligations on the Sukuk Issuance to be issued by Family Homes Sukuk Issuance Programme Plc with respect to this Series I Sukuk Offer</p> <p>Additionally, the sum of N2 billion (to be held as investment in FGN securities) shall be transferred to the Trustees to cover any shortfall that might occur; and shall be liquidated by the Trustees, in the event of a shortfall</p> <p>In case of asset impairment, FHFL shall substitute the impaired assets with similar ones, and under the supervision of the Shari'ah Advisers to the Issuance</p>
18.	Source of Repayment:	<p>Rentals shall accrue on the Sukuk from the commencement of the rental period, which shall start on the Lease Date, and is payable semi-annually in arrears in the form of rental payment from the Lessee. Rentals will be deposited in a Sinking Fund to be established by the Trustees. The Trustees will transfer the requisite amount from the Sinking Fund to Sukukholders at each lease rental payment date</p> <p>Consequently, Family Homes Funds Limited has procured an Irrevocable Standing Payment Order (ISPO), in the sum of N173,706,900.00 monthly for 84 months totaling N14,591,379,600.00 with remittances commencing 30 days following the issuance date of the Sukuk and credited to the sinking fund account managed by the Delegate Trustees</p>
19.	Listing:	FMDQ Securities Exchange Plc and/or Nigeria Exchange Limited (NGX)
20.	Method of Distribution:	By way of a Book Build to Qualified Institutional Investors and High Net Worth Individuals.
21.	Use of Proceeds:	See 'Use of Proceeds' on page 28 of this Pricing Supplement
22.	Event of Default	Any of the conditions, events or acts that are provided in Clause 18 (Events of Default) of the Program Trust Deed, being events upon the happening of which the Series I Sukuk are repayable on demand once the Trustee demands the repayment

PROVISIONS RELATING TO RENTALS PAYABLE		
23.	Fixed Rate Sukuk Provisions	
	i. Periodic Distribution / Rentals payment:	A fixed return of 13% per annum payable semiannually in the form of rental payments on the Sponsor's use of the Sukuk Assets

	ii. Distribution Payment Dates(s):	Semi-annual rental payments, payable in arrears on the 6 th and 12 th month of each year from the commencement of the rental period which shall start with the issue date up to and including the Maturity Date
	iii. Rental Amount (s):	Please refer to Schedule on page 29
	iv. Business Convention	Modified Following Business Day: Where Rental Payment Date falls on a non-Business Day, such payment shall be postponed to the next day which is a Business Day provided that if such a Business Day falls into the next calendar month, such Rental Payment Date shall be brought forward to the immediately preceding Business Day
	v. Day Count Fraction	Actual / Actual
	vi. Other terms relating to method of calculating rental for Sukuk:	Not Applicable
PROVISIONS RELATING TO REDEMPTION		
	Optional Early Redemption i. Call Option ii. Put Option	Not Applicable
24.	Scheduled Redemption Dates:	Not Applicable
25.	Final Redemption Amount:	₦10,000,000,000
DISTRIBUTION, CLEARING AND SETTLEMENT PROVISIONS		
26.	Form of Sukuk:	Electronic registration on the Central Securities Clearing System Plc platform
27.	Form of Dematerialised Trust Certificates:	Registered dematerialized form
28.	Registrar:	Africa Prudential Registrars Plc
29.	Clearing System:	Central Securities Clearing System Plc and/or FMDQ-D
30.	Joint Trustees:	STL Trustees Limited United Capital Trustees Limited EAC Trustees Limited Apel Capital and Trust Limited
32.	Record Date:	The register shall be closed for a period of fifteen (15) days immediately preceding each payment date and no transfer of the Sukuk Trust shall be registered during that period.
33.	Settlement	Sukuk purchases will be settled by electronic funds transfers through either CBN Inter-Bank Funds Transfer System (“CIBFTS”), National Electronic Funds Transfer (“NEFT”) or Real Time Gross Settlement (“RTGS”)
34.	Payment Agent	Africa Prudential Registrars Plc

GENERAL PROVISIONS APPLICABLE TO THE SUKUK		
35.	Issuer Rating:	BBB Agosto & Co.
36.	Sukuk Issue Rating:	A+ Agosto & Co.
37.	Underwritten	Not Applicable
38.	Tax Considerations:	The Sukuks are exempt from taxation in Nigeria in accordance with the Companies Income Tax (Exemption of Bonds and Short Term Government Securities) Order 2011 and the Value Added Tax (Exemption of Proceeds of the Disposal of Government and Corporate Securities) Order 2011. As such, all payments made to Sukukholders shall be free and clear of Withholding, State and Federal Income and Capital Gains Taxes with no deductions whatsoever being made at source
39.	Governing Law	The Sukuk will be governed by, and construed in accordance with the Laws of the Federal Republic of Nigeria as well as relevant sections in the Islamic law of commercial transactions (Mu'amalat)
40	Material Contracts Available for Inspection	The Shelf Prospectus issued in respect of the Programme Programme Trust Deed Series Trust Deed Ijara Agreement Deed of Guarantee Deed of Sale Purchase Undertaking Sale Undertaking Series Vending Agreement Shari'ah Adviser Agreement Wakala (Agency) Agreement, and other material contracts (as applicable)

2. PARTIES TO THE OFFER

PARTIES TO THE ISSUE

The Issuer

Family Homes Sukuk Issuance Program Plc
Sinoki House, 3rd Floor
Central Business District
Abuja
E-mail: info@fhfl.com.ng
Tel: +234 9060008041

Issuer's Board of Directors

Mr. Sani Yakubu
(Family Homes Funds)

Mrs. Ajayi Adenike Olatokunbo
(United Capital Trustees Limited)

Mr. Ayokunle Olubunmi Oluwatosin Toyin
(Apel Capital and Trust Limited)

Mrs. Ekundayo Funmilayo Tomilola
(STL Trustees Limited)

Mr. Adeniyi Adetuyi Oluwabusayo
(EAC Trustees Limited)

The Metropolitan Law Firm
Company Secretary

Francisca I. Igboanugo

The Sponsor

Family Homes Funds Limited
Sinoki House, 3rd Floor
Central Business District
Abuja
E-mail: info@fhfl.com.ng
Tel: +234 9060008041

Sponsor's Board of Directors

Mr. Suleiman Barau
(Chairman)

Mr. Femi Adewole
(Managing Director)

Mr. Edinoh Uwodi Ebuna
(Non-Executive Director)

Mr. Uche Orji
(Non-Executive Director)

Ms. Aisha Omar
(Non-Executive Director)

Mr. Mohammed Rashid Umar
(Independent Director)

Ambassador (Arc) Muhammadu Adamu Jumba
(Independent Director)

Mr. Chiweze Allen Ukwuoma
(Director)

Mr. Franklin Eseagwu
(Company Secretary)

PROFESSIONAL PARTIES TO THE PROGRAMME

Shari'ah Adviser
Buraq Capital Limited
 Muktar El-Yakub Place, 3rd Floor
 Plot 1129 Zakaria Maimalari Street
 Central Business District, Abuja

Mustapha M. M. BINTUBE

Lead Issuing House:
Chapel Hill Denham Advisory Limited
 10 Bankole Oki Street
 Ikoyi
 Lagos

Kelley Kemi Awodeen

Joint Issuing House:
Credent Capital & Advisory Limited
 5 Amazon River Close
 off Amazon Street
 Maitama, Abuja

Mina U. Babalola

Joint Issuing House:
Greenwich Trust Limited
 1698A Oyin Jolayemi Street
 Victoria Island
 Lagos

Baydot Bayo Rotimi

Solicitors to the Offer:
Metropolitan Law Firm
 11 Zangon Daura Estate
 Kado District
 Abuja

Francisca I. Ipboangbo

Stockbrokers
APT Securities and Funds Limited
 Church House, 3rd Floor
 29 Marina
 Lagos

Samira Kabir Musa

Rating Agency:
Agusto & Co Limited
 UBA House, 5th Floor
 57 Marina
 Lagos

Olusegun Owadokun

Rating Agency:
Global Credit Rating Co.
 11th Floor, New Africa House
 31 Marina
 Lagos

Hafeez Okunola Alaf.

Registrar:
Africa Prudential Registrars Plc
 220b Ikorodu Road
 Palmgrove
 Lagos
 Website: www.africaprudential.com
 E-mail: cxc@aficaprudential.com
 Tel: +234 700 237 47783

Veronica Eselgin

Reporting Accountant
Muhtari Dangana and Co
 19 Araromi Street
 Onikan
 Lagos

Abel Adior

Joint Trustees
STL Trustees Limited
 30 Marina
 Lagos

Funmi Ekundayo

Joint Trustees
United Capital Trustees Limited
 Afriland Towers - 3rd & 4th Floors
 97/105 Broad Street
 Lagos

Enky Ixetunye

Joint Trustees
EAC Trustees Limited
 13 Maitama Sule Street
 South West Ikoyi
 Lagos

Toyin F. SANMI

Joint Trustees
Apel Capital and Trust Limited
 8 Alhaji Bashorun Street
 South-West Ikoyi
 Lagos

Omohole Iyemolale

Auditors:
Ernst & Young
UBA House, 10th Floor
57 Marina
Lagos

Funmi Ogunbun
Funmi Ogunbun

Receiving Bank:
Taj Bank Limited
Plot 72 Ahmadu Bello Way
Central Business District
Abuja, Nigeria

Michael Odin
Michael Odin

Receiving Bank:
Jaiz Bank Plc
39 Awolowo Road
Ikoyi
Lagos

~~Asst. Mgt~~
Susie Asheleli
Susie Asheleli

3. INDICATIVE TRANSACTION TIMELINE

Date	Activity	Responsibility
December 01, 2020	File Pricing Supplement with the SEC	Issuing Houses
June 23, 2021	Obtain the SEC's clearance of the Pricing Supplement and approval to commence Book Building	Issuing Houses
June 25, 2021	Commence Book Build	All Parties
July 6, 2021	Conclude Book Building / Determination of Clearing Price and Allocation of Sukuk	All Parties
July 8, 2021	Update Issue documents and submit to SEC	Issuing Houses
July 14, 2021	Despatch Allotment Confirmation Letters	Issuing Houses
Jul 14, 2021	Obtain SEC Clearance of documents and No Objection to Convene Signing Ceremony	Issuing Houses
July 15, 2021	Hold Signing Event/Investors fund allotted Sukuk	All Parties
July 16, 2021	Remit Sukuk Proceeds to the Issuer	Receiving Bank
July 19, 2021	File executed Issue documents and Basis of Allotment with SEC	Issuing Houses
July 27, 2021	Obtain SEC Approval to publish Allotment Announcement	Issuing Houses
July 28, 2021	Credit CSCS/BPID accounts of Sukuk holders	Registrars
July 28, 2021	Publish Allotment Announcement in at least 2 national dailies	Issuing Houses
July 29, 2021	File FMDQ/NGX Listing Application	Issuing Houses
Aug 12, 2021	Listing of Sukuk on FMDQ/NGX	Issuing Houses/Stockbrokers
Aug 13, 2021	File Post Completion Report with SEC	Issuing Houses

***NB: These dates are indicative and are subject to change.**

4. PROFILE OF DIRECTORS AND DIRECTORS OF THE SPONSOR

4.1 PROFILE OF DIRECTORS & COMPANY SECRETARY

▪ **Mr. Suleiman Barau – Chairman**

Mr. Suleiman Barau is a distinguished professional with more than 18 years of experience as a Public Servant and 17 years in banking. He has served as the Deputy Governor of the CBN and as the MD of Nigerian Security Printing and Minting Plc. Before this, he had held numerous managerial positions in a number of banks including FSB International Bank Plc, United Bank for Africa Plc, Bank of the North Limited and Continental Merchant Bank Nigeria Limited. Mr Barau studied BSc Economics at Ahmadu Bello University Zaria where he graduated in 1981. He also obtained his MSc in Economics (Money and Finance) from the University of Jos in 1988.

▪ **Mr. Femi Adewole – MD/CEO**

Mr. Femi Adewole is a housing finance professional and chartered architect with over 25 years' experience leading housing initiatives across Sub Sahara Africa and the United Kingdom. Before his appointment as the MD of Family Homes Funds, he was the Managing Director of Shelter Afrique. He has served in various capacities in some of the largest housing companies around the globe such as First World Communities Ltd, Watford Community Housing Trust, Notting Hill Housing Group, and Lagos HABITAT 2011 Project amongst others. Femi has a BSc (Hons) in Architecture from the University of Ife which he obtained in 1984. He also has two masters; in 1987 he obtained an MSc in Architecture from the University of Ife and in 1997 he obtained an MSc in Land Management and Property Development from the University of East London. He also has an MBA from the University of Warwick which he obtained in 2002.

▪ **Amb. (Arc) Muhammadu A. Jumba – Non-Executive Director**

Amb. Muhammadu Jumba is a Principal Partner at Design & Planning Consultants, Architects and Engineers. He was formerly the Nigerian Ambassador to the State of Kuwait and the United Arab Emirates. He has also served as the Honourable Commissioner for the Ministry of Works, Housing and Land Development with the Bauchi State Government. He is an alumnus of Ahmadu Bello University, Zaria, Nigeria where he obtained a BSc and MSc in Architecture in 1976 and 1978 respectively.

▪ **Mr. Mohammed R. Umar – Non-Executive Director**

Mr. Mohammed Umar has over 40 years of experience as a quantity surveyor. He has headed the Quantity Surveying section in the Ministry of Works and Housing and established the Quantity Surveying Section for the Ministry of Housing and Environment, both in Kano, Nigeria. Mohammed has a BSc and MSc in Architecture which he obtained in 1976 and 1978 respectively, both from Ahmadu Bello University Zaria.

▪ **Mr. Chiweze.A. Ukwuoma – Non-Executive Director**

Mr. Chiweze Ukwuoma is an experienced Corporate and Investment Attorney and a Barrister at Law. He worked as a corporate lawyer for 9 years in different banks including Continental Merchant Bank of Nigeria Ltd (formerly Chase), Gamji Bank Ltd, and Chase Merchant Bank. Chiweze Ukwuoma holds a Bachelor's degree in Law (LLB) from the University of Nigeria, Nsukka which he obtained in 1985. He was in the 1992 class of Executive Master of Business Administration Programme of the University of Lagos, Nigeria.

▪ **Arch. Edinoh Uwodi Ebune - Non-Executive Director**

Arch. Edinoh Uwodi Ebune is a chartered architect with over 30 years of experience in the Housing and Construction industry. He currently serves as the chairman of the National Housing Programme and is a Board Member of the Federal Housing Authority under the Federal Ministry of Works and Housing. Edinoh holds a BSc (Hons) in Architecture and MSc in Architecture from Ahmadu Bello

University, Zaria which he obtained in 1983 and 1985 respectively. He also has an MPA from the University of Maiduguri which he obtained in 2007.

▪ **Mr. Uche Orji – Non-Executive Director**

Mr. Orji is the MD/CEO of the Nigeria Sovereign Investment Authority. He has a wealth of experience in the financial industry. Prior to NSIA, he was MD, Equities Division at UBS Securities, New York. Prior to this, he had investment experience from JP Morgan Securities and Goldman Sachs Asset Management. He attended the University of Port Harcourt where he obtained a BEng in 1990. He also holds an MBA from Harvard Business School (1998).

▪ **Ms. Aisha Omar – Non-Executive Director**

Ms. Aisha Omar is an established public servant with over 25 years' experience in providing high quality finance and management support for public projects and mandates. She is a public finance specialist with vast experience in public financial management, development of trade and finance policies and fiscal relations, project development and policy advisory. She is currently a Director in the Federal Ministry of Finance, Abuja, Nigeria. She has worked in many capacities within the Federal Ministry of Finance, and has served in several Presidential Committees and as Project Manager including for World Bank assisted projects. She obtained her BSc in Business Administration (Finance Management and Banking) in 1989 from Ahmadu Bello University, Zaria, and has a litany of professional trainings.

▪ **Mr. Franklin Eseagwu – Company Secretary**

Mr. Franklin Eseagwu is the Company Secretary/Legal Adviser of Family Homes Funds Limited, where he provides support to the Board of Directors in their over-sight function, and legal support to all the business units of the Fund. He is a trained lawyer with 13 years post bar work experience. He had an initial short stint in private practice and the latter part in corporate practice, all within the financial services sector. He is an Associate member of the Institute of Chartered Secretaries and Administrators of Nigeria and the Chartered Institute of Taxation of Nigeria. He holds a first degree in law from the University of Nigeria (2005) and Master's in law from the Lagos State University (2018).

4.2 MANAGEMENT TEAM

▪ **Mr. Sani Yakubu – Chief Housing Investment Officer (CHIO)**

Mr. Sani Yakubu is a finance professional with over 25 years' experience in Banking and Finance within the private and public sectors. Before his appointment as the Chief Housing Investment Officer at Family Homes Funds, he was Senior Special Assistant to the President on the National Economic Recovery and Growth Plan (ERGP) with specific assignment to oversee the Industrialization component of the National Plan implementation. Between 2006 and 2008, he served as the Managing Director of the Abuja Urban Mass Transit Company where he grew the balance sheet from N500m to over N5bn in two and a half years. He is a Fellow of the Institute of Corporate Administration as well as a member of the Nigerian Institute of Management. Mr Yakubu has a B.Sc. in Accountancy from the University of Nigeria Nsukka (1990) and an MBA from Ahmadu Bello University, Zaria (2003).

▪ **Mr. Tobi Fatimilehin – Head, Affordable Housing Fund**

Mr. Tobi Fatimilehin is a CFA Charterholder with 11 years' experience. Before his engagement with FHFL, Tobi was an Associate at the Project Delivery Team of Rendeavour Nigeria Ltd responsible for the development of a 1000ha industrial city in the Lekki Free Zone. He also worked with FBNQuest Merchant Bank where he advised on the sale of one of the AMCON Bridge Banks and a mortgage bank. He has also worked with PwC as a Consultant on Strategy and Deals; and as a Financial Analyst with Morgan Capital Group. He obtained his BEng in Electronic Engineering in 2007 and MSc in Advanced Electronic Engineering in 2008, both from the University of Warwick.

- **Dr. Banke Abejirin – Head, Strategy & Business Performance**
 Dr. Banke Abejirin is a mid-career professional with more than ten (10) years of experience in urban planning, economic development, research and strategic consulting. She works as the strategy and business performance manager at Family Homes Funds Limited where she also oversees FHFL’s social and environmental impact initiatives. Prior to that, she was a senior manager at Cerebral and Dexter Media Ltd., where she co-managed the firm’s educational work, focused on content creation, strategic communication and advises on project strategy. She has worked as an intern and sub-consultant with the United Nations. She currently works as an Associate Consultant with Dalberg Global Development Advisors. Dr. Abejirin holds a PhD in Urban Planning from Columbia University’s School of Architecture, Planning and Preservation, New York which she obtained in 2014. She obtained her BA in Economics from Carleton College in 2006, and Master of City Planning from MIT in 2008.
- **Dr. Sa’id Kori – Head, Project Management**
 Dr. Sa’id Kori holds a doctorate degree in Digital Architecture and Construction Management from the University of Liverpool (2017 where he taught briefly, a Master of Science in Digital Architectural Design from University of Salford, Manchester (2013) and has his bachelor’s degree in architecture from Federal University of Technology, Nigeria (2010). Prior to his engagement with the Family Homes Funds, Dr. Sa’id served as an Executive Vice President of Thinklab International Group where he developed the roadmap for implementation and actualisation of Smart Marrakech and the development of Yobe State Geographical Information System and the Borno State Smart Room. Dr. Sa’id also worked with CTA Design Solutions, Manchester and with Thames International London as a Senior Associate. Dr. Sa’id also has teaching and research experience; lecturing in Ramat Poly- technic Maiduguri, University of Liverpool and the University of Salford. Dr Sa’id also champion various works both nationally and internationally in various capacities in developing and implementing strategic programmes, policies and projects related to the reconstruction and resettlement of Internationally Displaced Persons (IDPs), disaster resilience, social housing development schemes, real estate developments, alternative Mortgage financing among others.
- **Ms. Lami Attah - Communications Manager**
 Ms. Lami Attah is an Information and Communication Professional with more than 14 years of industry experience. Before her appointment at Family Homes Funds, Lami worked as a communication and research consultant, with an adjunct faculty position at the Pan-Atlantic University. Her career spans stints with Resourcery Plc, National Information Technology Development Agency, and TBWA Concept Unit. She has also worked in various capacities with the World Bank Mines Reclamation Project, Sahel Capital, Homes4Africa and the Aids Healthcare Foundation. Lami has written several papers on communication, the digital economy, and ethics in the use of Artificial Intelligence. She is a founding member of the Interface Creative Economy Project. The curator of the ‘Lagos to Global’ conference and a mentor to the International Youth Foundation training program as well as the Google Business mentorship program. Ms. Lami holds a Bachelor of Technology in Mathematics and Computer Science from the Federal University of Technology, Minna (2005). She is a Cherie Blair Foundation Alumna, a Tony Elumelu Alumna and an IBM certified Data Science Professional.
- **Mr. George Anih – Asset and Portfolio Manager**
 Mr. George Anih commenced his professional career in Sea Petroleum and Gas Company Limited as the Administrative Head for the Abuja region before proceeding to banking where he worked in Hallmark Bank PLC (now Ecobank Nigeria PLC), United Bank for Africa (UBA) PLC and Aso Savings and Loans PLC in several capacities. He was also the Regional Manager, North for Abbey Building Society PLC (now Abbey Mortgage Bank PLC) before his forays into real estate development. He has also held managerial roles in Mainstreet Bank Ltd/Skye Bank PLC (now Polaris Bank Limited) as a Business Development Manager. Until recently, he was the Regional Manager, Northern Nigeria for Eciruam and Clarke Limited in charge of sales and distribution of fast-moving consumer goods. He attended the University of Ibadan where he studied BSc Human Nutrition in 2000. He has an MSc Economics degree from ESUT Business School (2007) and an MSc Project Management from the University of Roehampton (UK) (2017). George is an Ex member of the executive board of Real Estate Developers

Association of Nigeria REDAN. He is also a member and fellow of the following Institutes: - Institute of Chartered Economists of Nigeria (ICEN)– Fellow Institute of Professional Managers and Administrators of Nigeria (IPMA) – Fellow Certified Institute of Auctioneers of Nigeria (CIAN) – Fellow Chartered Institute of Bankers of Nigeria (CIBN) – Member

▪ **Mr. Abubakar Bello – Head, Human Resources**

Mr. Abubakar Bello started his HR career with one of the leading HR and Business Management Consulting firm as an Analyst for close to 4 years after which he moved to one of the prominent commercial banks in Nigeria (Unity Bank). Later, he joined one of the famous construction companies (Precise Civil Engineering Ltd) as the HR and Admin Manager. Shortly after, he was engaged by one of the leading I.T. companies in Lagos TechAdvance (Gpay) Ltd as HR Business Partner overseeing the HR functions of the entire North Eastern region. He presently works with one of the fast-growing NGOs that is data and IT driven to support public health in five African countries (eHealth System Africa). He works in the capacity of HR coordinator where he coordinates and supports the development and implementation of all the HR functions from recruitment and selection, on boarding, manpower plan, competency mapping, career management, performance management, policies review and implementation, staff confirmation and promotion and staff engagement among others. Mr. Abubakar Bello holds a Master’s in Business Administration (MBA) (2015) and a B.Sc. Economics from Bayero University Kano (2010) and the latter from University of Abuja. He is a certified member of Nigerian Institute of Management (NIM) and an associate member of the Chartered Institute of Human Capital Development (CIHCD)

▪ **Mr. Victor Adofu – Head, Risk Management**

Mr. Victor Adofu holds a Bachelor of Science degree in Accounting from the University of Abuja (2005) and he is a Fellow of the Association of Chartered Certified Accountants (FCCA, UK) and a member of the Chartered Institute for Security & Investment (MCSI, UK). In addition, he holds a Master of Science Degree in Professional Accountancy from the University of London. In 2018, he became a Senior Member of Risk Management Association of Nigeria. Victor has experience spanning over 13 years in the financial services sector and he began his working career in Intercontinental Bank Plc in 2006. Prior to his current role, he was the Head of Risk Management of Premium Pension Limited and Nigerian University Pension Management Company, a position he held for 6 years cumulatively before moving to FHFL as the Head of Risk Management in September 2019.

5. DECLARATION OF THE ISSUER

FAMILY HOMES SUKUK ISSUANCE PROGRAM PLC RC:1724561

28th December 2020

The Director General,
Securities and Exchange Commission,

ISSUER: Family Homes Sukuk Issuance Program Plc

DECLARATION UNDER THE SUKUK RULES

1. We, **FAMILY HOMES SUKUK ISSUANCE PROGRAM PLC** (hereinafter referred to as the "Company" or "Issuer") are proposing to undertake the following proposals:
 - a. The Company is desirous of raising capital of up to ₦30,000,000,000.00 (Thirty Billion Naira only) through the issuance of notes of equal value (hereinafter referred to as "Sukuk") in compliance with Shari'ah principles, for the finance, development and/or management of affordable homes for low income household in Nigeria whether by way of public offering or any other method, and in such tranches, series or proportions and at such dates or within such maturity periods and on such terms, conditions and price as may be approved by the Family Homes Funds Limited subject to obtaining all requisite approvals from applicable regulatory authorities; and
 - b. The Sukuk will constitute a direct and general obligation of the Issuer and may be issued only on an unsubordinated basis.

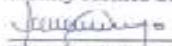
(hereinafter referred to as "the Proposal").

1. We confirm that having made all reasonable enquiries, and to the best of our knowledge and belief, there is no false or misleading statement contained in, or material omission from, the information that is provided to the adviser(s)/expert(s) or to the Commission in relation to the above Proposal.
2. We declare that we are satisfied that after having made all reasonable enquiries that the Proposal is in full compliance with the following:
 - a. The Sukuk rules;
 - b. The SEC rules and regulations; and
 - c. The trust deeds.
3. The Company has not been:
 - a. convicted or charged with any offence under the securities laws, or other laws involving fraud or dishonesty in a court of law, since incorporation; or
 - b. subjected to any action by the stock exchange for any breach of the listing requirements or rules issued by the stock exchange, for the past five (5) years proper to submission.
4. We declare the following in accordance with the sukuk rules:
 - a. The Proposal does not result in a significant change in the business direction or policy of the company; and
 - b. The Proposal is not a related-party transaction
5. We declare that we will ensure continuous compliance with the requirements and conditions imposed by the Commission in relation to the above proposal and agree that we will continuously submit annual audited financial statements and other documents required by the Commission under the sukuk rules.
6. We undertake to provide to the Commission all such information as the Commission may require in relation to the Proposal from time to time.

The above declaration has been signed by Directors of the Issuer under the authority granted by a resolution of the Board of Directors on **October 26th, 2020**.

Yours faithfully,


Mr. Sani Yakubu
Director
Family Homes Sukuk Issuance Program Plc


Ekundayo Funmilayo Tomilola
Director
Family Homes Sukuk Issuance Program Plc



6. MATERIAL ADVERSE CHANGE STATEMENT

**FAMILY HOMES SUKUK
ISSUANCE PROGRAM PLC**
RC13724563

October 12, 2020

The Managing Director
Chapel Hill Denham Advisory Limited
45 Saka Tinubu Street (1st Floor)
Victoria Island, Lagos

Dear Sir,

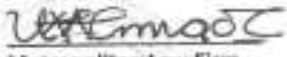
SUBMISSION OF MATERIAL ADVERSE CHANGE STATEMENT ON FAMILY HOMES SUKUK ISSUANCE PROGRAM PLC- N30 BILLION SUKUK ISSUANCE PROGRAMME, SERIES I UP TO N10 BILLION

Except as disclosed in this Shelf Prospectus, there has been no material adverse change in the financial position or prospects of the issuer and no significant change in the financial or trading position of the issuer.


In addition, during the twelve calendar months immediately preceding the date of filing an application with the Securities & Exchange Commission for the registration of this Prospectus, Family Homes Sukuk Issuance Program Plc did not breach any terms and conditions in respect of borrowed monies which resulted in the occurrence of an event of default and an immediate recall of such borrowed monies.


The issuer accepts responsibility for the information contained in this Prospectus which, when read, contains all information that is material in the context of the issue of the Sukuk.

SIGNED for and on behalf of the Issuer, Family Homes Sukuk Issuance Program Plc


Metropolitan Law Firm
Company Secretary
UMARHANNI AHMAD AMIN

**THIS DOCUMENT WAS
DULY SIGNED BEFORE
ME**


Director
SANI YAKUBU

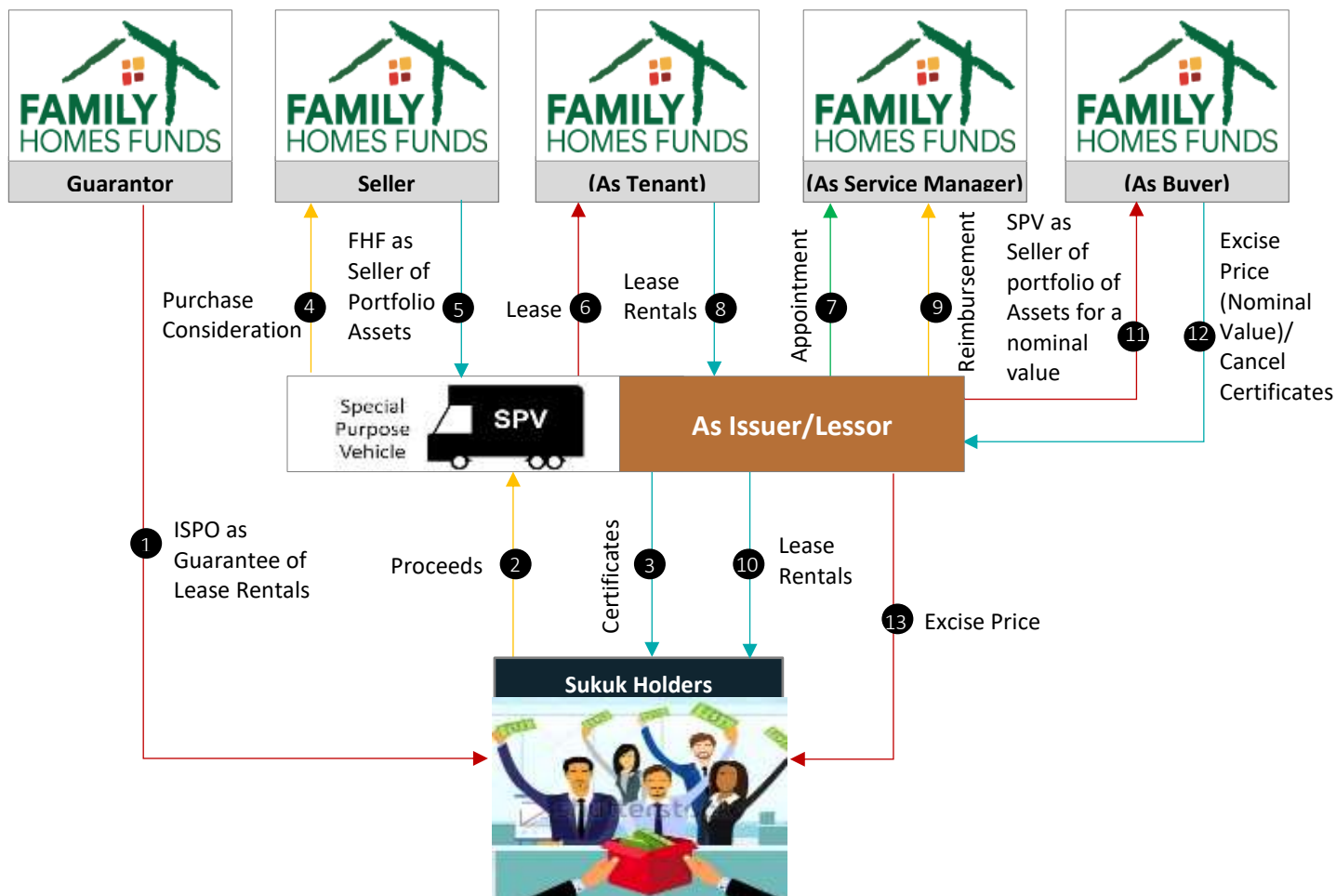

Mohammed S. Shuaib
Notary Public for Nigeria
First Floor, Block G, Ecowas Plaza, Plot 758 10th Street
C.B.D 90001, Abuja 90001, Nigeria
08033110778
mshuaib@shuaib.com.ng

3rd Floor Sunka House, Samuel Ademilga Avenue, Central Business District, Abuja FCT
+234 (0) 813 088 0390

7. SUKUK STRUCTURE OVERVIEW

STRUCTURE DIAGRAM

Below is a broad schematic illustration of the transaction structure, process flow, key contracts and parties.



Key Steps

A Special Purpose Vehicle (SPV) will be set up by FHFL for the specific purpose of a Sukuk issuance and duly registered as a public limited liability company. Board membership of the company shall comprise of FHFL's representatives and the Trustees.

1. **Family Homes Funds Ltd ("FHF")** provides ISPO guarantee to secure rentals as per regulatory requirements. Other respective Agreements/Contracts such as Deed of Sale, Purchase & Sale undertakings, Trust Deed, etc are executed at the relevant stages of the contract.
2. SPV raises finance by issuing Sukuk notes of equal value.
3. SPV issue Certificates to Investors
4. The Sukuk proceeds are passed down to FHF as Purchase Consideration for the Portfolio of Assets sold to the SPV.
5. FHF, acting as Seller of Portfolio of Assets, transfers the title and beneficial interest of the identified Portfolio of Assets to the SPV pursuant to the Deed of Sale.
6. SPV Leases the Portfolio of Assets to FHF for a period of 7 years.
7. SPV appoints FHF as Service Manager for the maintenance of the Portfolio of Assets.
8. FHF pays periodic Lease Rentals to the SPV.
9. The Service Manager is reimbursed by the SPV for its maintenance expenses.
10. SPV in turn pays the periodic lease rentals to Investors as return for their investment.
11. Upon maturity, pursuant to the Purchase Undertaking, the SPV sells, based on a sale and purchase contract, the Portfolio of Assets to the FHF for a nominal value which would be the Excise Price.
12. FHF pays the Excise Price (a nominal Value) for the Portfolio of Assets pursuant to Sales and Purchase undertakings.
13. SPV passes the Excise Price to Sukuk investors and cancels the Certificates.

8. SHARI'AH COMPLIANCE

8.1 EXTRACT OF SHARI'AH COMPLIANCE CERTIFICATE



**STATEMENT OF CERTIFICATION OF THE FAMILY HOMES FUNDS SUKUK
ISSUANCE PLC-SERIES I N10 BILLION 7-YEAR SUKUK, UNDER A N30 BILLION
SUKUK ISSUANCE PROGRAMME BY THE CENTRAL BANK OF NIGERIA
FINANCIAL REGULATION ADVISORY COUNCIL OF EXPERTS (FRACE)**

The Financial Regulation Advisory Council of Experts (FRACE) of the Central Bank of Nigeria has reviewed the structure and transaction documents of the Family Homes Funds Sukuk Issuance Plc-Series I N10 billion 7-year Sukuk, under a N30 billion Sukuk issuance programme due on 2028.

The Sukuk proceeds shall be for the finance, development and/or management of affordable homes for low-income households in Nigeria, based on an Ijarah Agreement (Ijarah) between the Sukuk Issuer and the Family Homes Funds as Obligor, and subsequent sale of the homes to the Family Homes Funds.

FRACE reviewed the transaction documents of the Sukuk issuance which consist of:

- i. Pricing Supplement;
- ii. Shelf Prospectus;
- iii. Programme Trust Deed;
- iv. Series I Trust Deed;
- v. Deed of Guarantee;
- vi. Deed of Sale;
- vii. Ijarah Agreement;
- viii. Purchase Undertaking;
- ix. Sale Undertaking
- x. Service Agency Agreement;
- xi. Vending Agreement; a
- xii. Shariah Advisers Agreement

FRACE approves the structure and confirms that it is compatible with the terms and conditions of an Ijarah contract and is in line with the terms and conditions of a sale and purchase contract predicated on unilateral sale and purchase undertaking.

FRACE also resolves that the Family Homes Sukuk may be listed for trading on relevant exchanges immediately the offer is concluded since the underlying assets are readily available.

We hereby approve the Sukuk and issue this Certification to confirm same.

And Allah knows best.

1. Sheikh Shariff Ibrahim Saleh Al Husaini (Chairman)



2. Dr. Bashir Aliyu Umar (Deputy Chairman)



3. Prof. Mohammad Akram Laldin (Member)



4. Prof. Abdul-Razzaq Abdul-Majeed Alaro (Member)



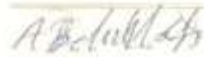
5. Dr. Mohammed Burhan Arbouna (Member)



6. Prof. Usman Muhammad Shu'aib (Member)



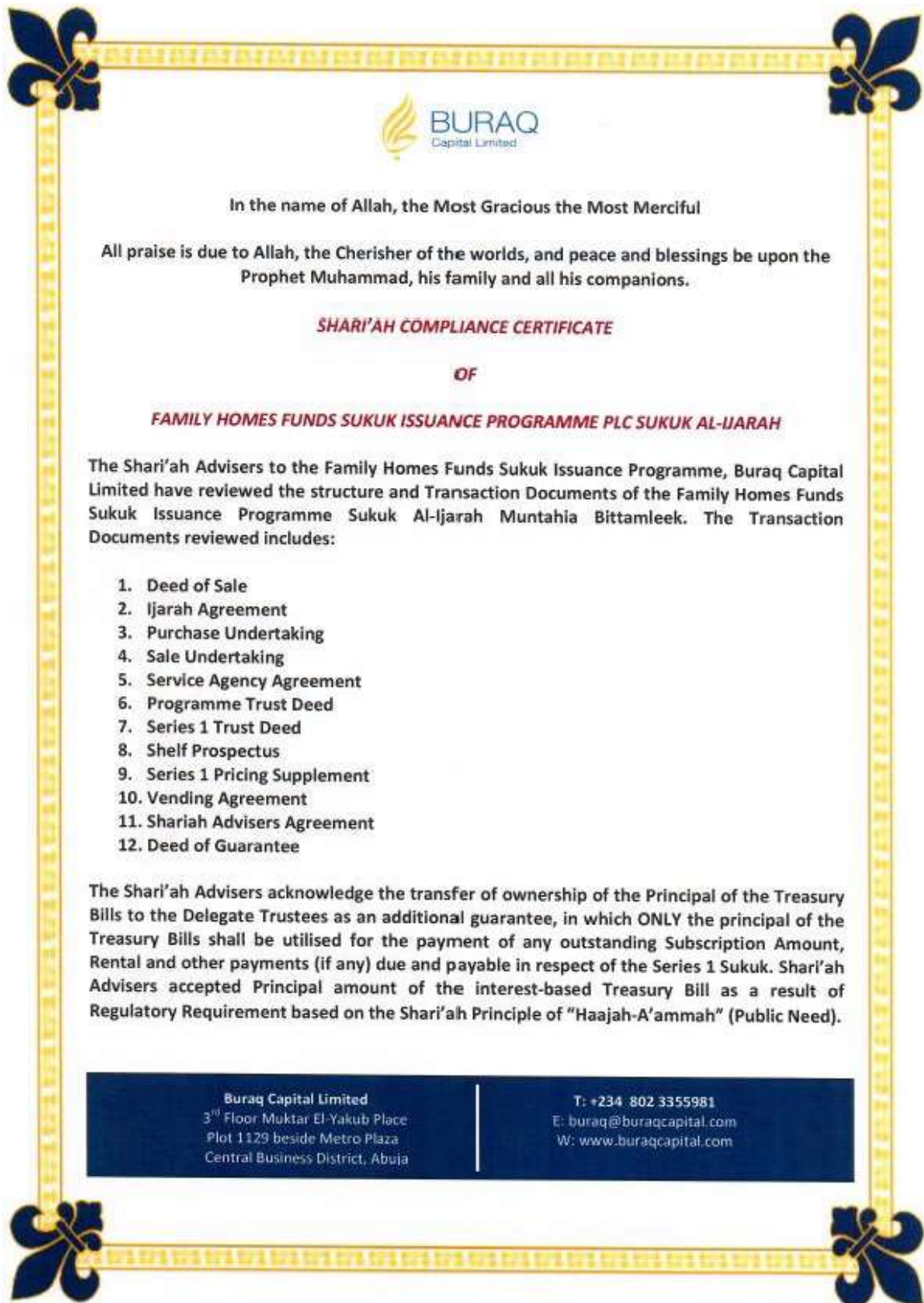
7. Sheikh Abdullahi Garba Uthman Ogbede (Member)



8. Dr. Yakubu A. Umar (Member)



Dated this 21st Day of May, 2021



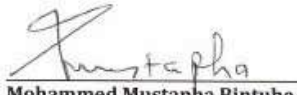



The Shari'ah Advisers are of the view that the structure, terms and conditions of the SUKUK AL-IJARAH MUNTAHIA BITTAMLEEK issued by Family Homes Sukuk Issuance Programme Plc after purchasing legal and beneficial ownership of the Sukuk Assets from Family Homes Funds Ltd, are in compliance with the Shari'ah and the Transaction Documents reflect the structure, terms and conditions of the Sukuk Al-Ijarah Muntahia-Bi-Tamleek.

We do hereby approve the transaction and issue this Fatwa to confirm the same.


And Almighty Allah knows best.

For and on behalf of Buraq Capital Limited the Shari'ah Adviser to the Family Homes Funds Sukuk Issuance Programme;


Mohammed Mustapha Bintube
Executive Chairman


Attahiru Muhammad Maccido
Director

Shariah Advisory Council Members of Buraq Capital Limited:


Sheik (Asst. Prof, Dr.) Ziyaad MAHOMED


Prof. Ahmad Bello DOGARAWA

Date: 7th April 2021 / 25th Sha'ban, 1442 AH

Buraq Capital Limited
3rd Floor Muktar El-Yakub Place
Plot 1129 beside Metro Plaza
Central Business District, Abuja

T: +234 802 3355981
E: buraq@buraqcapital.com
W: www.buraqcapital.com

8.3 PROFILE OF SHARI'AH ADVISERS

▪ **Buraq Capital Limited (BCL)**

Buraq Capital Limited was set up to take advantage of the growing awareness and the growing opportunities in the nascent Islamic Finance industry in Nigeria. Over the years Islamic Finance is fast gaining ground and recognition in other countries/regions such as Europe, USA, Middle East, Asia and Africa.

BCL will provide Financial Advisory Services strictly in line with Islamic Finance models to Government (Federal, State and Local Governments), Government Agencies, Corporate Organizations, Multilateral Companies, Non-Profit and Non-Governmental outfits and Individuals. The target market is not limited to Nigerian market, but Africa at large.

BCL will provide Shari'ah compliant fund raising options, restructuring of corporate and other organisations, companies and organizations restructuring to comply with Islamic finance requirements, business plans, corporate investment advisory and training among others. The basic mission of the BCL is to provide alternative business solutions and create awareness of potentials of Islamic Finance in solving the lingering challenges faced by conventional finance sector.

BCL has realized the much awaited opportunities of Islamic Finance is being recognized by the regulators, operators and investors alike, thus will be among the first movers in Investment banking to serve the industry. Islamic finance options in Nigeria are progressively being seen as a viable alternative to conventional finance services and are growing to serve not only over seventy (70) million Nigerian Muslims population but also Christians who are looking for ethical options of conducting their financial and commercial businesses.

BCL has close collaboration with the following institutions:

Islamic Development Bank (IDB), Jeddah Kingdom of Saudi Arabia

African Institute of Islamic Finance (AIIF), Dakar Senegal

International Institute of Islamic Banking and Finance of Bayero University Kano (IIIBF of BUK)

Islamic Financial Institute of Southern African (IFISA)

▪ **Assist. Professor Dr. Ziyaad Mahomed**

Dr Ziyaad is an Islamic Scholar and has performed the role of Shari'ah Advisor for Islamic finance and asset management since 1998. He served as the National Marketing and Product Development Head for Albaraka Bank in South Africa between 2003 and 2006, developing an array of products on both the financing and investment sides including banca-takaful, whilst coordinating for the second largest Shari'ah Compliant Unit Trust in South Africa. He presently serves as Associate Dean and Director of E-Learning & Executive Education, and Assistant Professor at the International Centre for Education in Islamic Finance (INCEIF). He is also Chairman of the Shari'ah Board of HSBC Amanah in Malaysia and Chairman of Taj Bank, Nigeria.

He is a registered Shari'ah Advisor at the Maldives Monetary Authority and Bank Negara Malaysia. Dr Ziyaad specializes in and lectures Masters and PhD students in Shari'ah Rules and Issues in Islamic Finance, Principles of Islamic Jurisprudence, Islamic law of transactions, Islamic Capital Markets and Islamic Risk Management.

Dr Ziyaad has provided training on almost all aspects of Islamic finance in over 20 countries, to more than ten thousand (10,000) finance professionals and Islamic scholars. He has led the formation of the Islamic

banking window at the Bank of Maldives, the largest in the country, and continues as a Shari'ah Board Member of the bank.

He has numerous awards in Islamic finance to his credit, in social finance product innovation, and fintech solutions for emerging countries. Dr Ziyaad has received several best paper awards at international conferences on Sukuk, Islamic banking patronage and Shari'ah product modelling for microfinance. He has also developed unique Shari'ah Screening criteria for stocks, incorporating SRI/ESG principles together with the Maqasid (Objectives of Islamic law).

Qualification: BA (Honours) Business (Finance) – Anglia Ruskin University, United Kingdom; MBA – MANCOSA, Republic of South Africa (RSA); PhD Islamic Finance – INCEIF, Malaysia. He is a Chartered Islamic Finance Professional and holds a Certificate in Islamic Law from University of KwaZulu-Natal, Durban, South Africa.

▪ **Prof. Ahmad Bello Dogarawa**

Prof. Ahmad Bello Dogarawa is a Professor with the Department of Accounting, Ahmadu Bello University (ABU) Zaria, Nigeria and a Certified Management Trainer. He is an alumnus of Al-Azhar University, Cairo from where he obtained a Certificate in Islamic Religious Sciences, Da'awah (Islamic propagation) and Islamic Economics.

Dogarawa was a former Head of Department of Accounting and Deputy Dean of ABU Business School. He is a founding member of League of Scholars, Imam and Preachers in Sahel with headquarters in Algiers. He is also a member of Jaiz Bank's Advisory Committee of Experts. He has travelled throughout Nigeria and some neighbouring countries to present papers, give sensitisation lectures and conduct workshop on various topical issues that include different aspects of Islamic banking and finance, Islamic perspective of economic empowerment and investment. He has also participated in training of members of various religious and social groups in Nigeria and beyond.

9. OTHER DISCLOSURES

9.1. Authorization of the Series I Sukuk – Issuer Resolution

By a resolution of the Board dated October 26, 2020 approving the issuance of up to ₦10,000,000,000 Sukuk securities, the issuance of the Series I Sukuk was approved. The extract of the resolution of the Board is as follows:

1. That subject to obtaining the requisite regulatory approvals, the Company be and is hereby authorised to issue Series I up to N10,000,000,000.00 (Ten Billion Naira) Ijarah (Lease) Sukuk Trust Certificates under the Family Home N30,000,000,000.00 (Thirty Billion Naira Only) Sukuk Issuance Programme;
2. That the Sukuk Trust Certificate be listed on the Nigerian Exchange Limited and/or FMDQ Securities Exchange Limited;
3. That the Company's authorised persons be and are hereby mandated to take all necessary steps to ensure the Issuance and listing of the Sukuk trust certificates with the relevant regulatory authorities;
4. That the Company's authorised persons be and are hereby mandated to take any further or other action(s) that may be required to give effect to the above resolution.

9.2. Shareholding Structure of the Issuer

As at the date of the Pricing Supplement, the shareholding structure of the issuer is as follows:

Name	Shareholding	Percentage (%)
Family Homes Funds Limited	970,000	97%
EAC Trustees Limited	10,000	1%
STL Trustees Limited	10,000	1%
Apel Capital and Trust Limited	10,000	1%
Total Shareholding	1,000,000	100%

9.3. Incorporation Structure of the Issuer

Family Homes Sukuk Issuance Program Plc was incorporated in Nigeria on October 19, 2020. The Issuer has no subsidiaries and has been established as a special purpose vehicle for the purpose of passing through funds to and receiving funds from Family Homes Funds Limited.

Currently, Family Homes Sukuk Issuance Program Plc has an authorised and issued share capital of ₦1,000,000 divided into 1,000,000 ordinary shares of ₦1.00 each.

9.4. Directors' Interest

No director has direct or indirect interests in Family Homes Funds Limited. No directors of the Issuer as at the date of this Pricing Supplement has direct interest in the issuer.

9.5. Material Contracts

Apart from the Transaction Documents to which it is a party, the Issuer has not entered into any material contracts other than in the ordinary course of its business.

9.6. Consents

The following have given and not withdrawn their written consents to the issue of this Prospectus with their names and reports (where applicable) included in the form and context in which they appear:

The Directors of Family Homes Sukuk Issuance Program Plc	
Company Secretary of Family Homes Sukuk Issuance Program Plc	
Buraq Capital Limited	Shari'ah Adviser
Chapel Hill Denham Advisory Limited	Lead Issuing House / Bookrunner
Credent Capital & Advisory Limited	Joint Issuing House/Bookrunner
Greenwich Trust Limited	Joint Issuing House/Bookrunner
The Metropolitan Law Firm	Solicitors to the Issue
APT Securities and Funds Limited	Stockbrokers
Agusto and Co Limited	Rating Agency
Global Credit Ratings Co	Rating Agency
Africa Prudential Registrars Plc	Registrars
Muhtari Dangana and Co	Reporting Accountant
United Capital Trustees Limited	Joint Trustees
STL Trustees Limited	Joint Trustees
EAC Trustees Limited	Joint Trustees
Apel Capital and Trust Limited	Joint Trustees
Ernst & Young	Auditor
Jaiz Bank Plc	Receiving Bank
Taj Bank Limited	Receiving Bank

9.7. Financial Information

Since the date of incorporation, the Issuer has not commenced operations and no financial statements have been compiled or published as at the date of this Prospectus.

9.8. Claims and Litigation

The Issuer has not since its incorporation been engaged in any litigation or arbitration proceedings which may have or have had during such period a significant effect on its respective financial position. And, as far as the Issuer is aware, no such litigation or arbitration proceedings are pending or threatened.

9.9. Mergers and Takeovers

As at the date of this Pricing Supplement, the Directors are not aware of A merger or takeover offer by third parties in respect of the Issuer's securities; and A merger or takeover by the Issuer in respect of another company's securities during the preceding financial year or current financial year.

9.10. Documents Available for Inspection

Copies of the following documents may be inspected at the offices of Joint Issuing Houses during normal business hours on any weekday (except public holidays) from the date of issuance of this Pricing Supplement:

- The Certificate of Incorporation of the Issuer and Sponsor duly certified;
- The Memorandum and Articles of Association of the Issuer and Sponsor duly certified;
- The Copy of the Board Resolution of the Sponsor dated October 22, 2020 approving the Sukuk Issuance Programme;
- The Copy of the Board Resolution of the Issuer dated October 26, 2020 approving the Sukuk Issuance Programme;
- The Audited Financial Statements of the Company for each of the years ended 2017, 2018 and 2019;
- The Management Account for period ended September 30, 2020
- The Reporting Accountants Report on Audited Accounts of the Company for three years ended December 31, 2019;
- The material contract referred to in Section 9.5 on page 25;
- The written consents referred to above;
- The Shelf Prospectus issued in respect of the Sukuk Issuance Programme;
- SEC Approval letter;
- Series I Pricing Supplement;
- The schedule of claims and litigations and the opinion of the Solicitors to the Offer prepared in connection therewith;

- Any Vending Agreements;
- Shari’ah Adviser Agreement;
- Any Series Trust Deeds;
- Ijara Agreement;
- Wakala (Agency) Agreement;
- Purchase undertaking;
- Sales undertaking;
- Irrevocable Standing Payment Orders (ISPO) letters;
- Deed of Guarantee;
- Deed of Sale; and
- Loan Agreements

9.11. Additional Disclosures

- **Deed of Guarantee** – the guarantor’s irrevocable guarantee is included in clause 2 of the deed which include but not limited to the following –
 - The Guarantor, as the obligor to the Series I, hereby absolutely, unconditionally and irrevocably guarantees to the Beneficiaries, the due and prompt performance of all its present and future obligations, as contained in the Transaction Documents, in relation to the repayment of the lease rentals of the Series I to the Sukukholders.
 - The Guarantor hereby absolutely, unconditionally and irrevocably guarantees to, at the Guarantor’s cost and upon the issuance of the Series I, transfer the ownership of Treasury Bills, in the value of N2,000,000.000.00 (two billion naira), to the Delegate Trustees as an additional guarantee, in which the principal of the Treasury Bills shall be utilised for the repayment of any outstanding lease rental and other monies (if any) due and payable in respect of the Series I.
- **Irrevocable Standing Payment Orders (“ISPOs”)** – The Sukuk issuance is supported by the unconditional and legally binding support provided by the issuance ISPO authorising monthly deductions from four states’ (Adamawa, Bauchi, Borno & Yobe) share of statutory allocations over seven years (through a Counter-ISPO mechanism) into a designated sinking fund account to be managed by the Delegate Trustees to meet the Sukuk repayment obligations as and when due.
- **Loan Agreements** – A summary of the loan agreements is presented below:

State	Amount (NGN)	Tenor (years)	Rate	Security
Adamawa	9,917,211,090.00	12	7.5%	ISPO
Bauchi	12,000,000,000	12	7.5%	ISPO
Borno	5,548,750,000.00	15	6.0%	ISPO
Yobe	15,957,202,315.50	10	9.0%	ISPO

10. USE OF PROCEEDS

Following the deduction of the cost of issue of N200,000,000, the net issue proceeds of N9,800,000,000 will be as shown below:

Project Name	Location	No of Units	Distribution of Units	Amount(mn)	Project Description	Tenure
Green Pastures	Ogun	260.00	<ul style="list-style-type: none"> • 26 one-bedroom • 104 two-bedroom • 104 three-bedroom • 26 four-bedroom 	1,250,000,000	The project is to be executed by the Consortium of DFD Smartech Construction and Dutum Company Limited based on a development agreement with the Incorporated Trustees of the Redeemed Christian Church of God (for the staff) on a land size of 654,463sqm located at Igbo Iwaju Village Makun, Sagamu LGA, Ogun State.	12 months
Dikko Housing Project, Niger State	Niger	400.00	<ul style="list-style-type: none"> • 200 two-bedroom • 200 three-bedroom 	1,800,000,000	The project is for the development of 400 affordable housing units in Dikko, Gurara LGA, Niger State. The facility is secured by an ISPO and the developer is the Niger State Housing Corporation. The State is currently processing the ISPO. Disbursements will not be made until receipt of the ISPO	120 months
Merit Homes	Katsina	250.00	<ul style="list-style-type: none"> • 125 one-bedroom • 125 two-bedroom 	1,200,000,000	The project is to be executed in partnership with the Head of Service in Katsina and is located on a 40 hectares parcel of land along Batsari-Katsina road, Barawa Forest Reserved Area to create a housing estate for the Katsina State Civil Servants	18 months
Open House	Ibiono Uyi, Akwa Ibom	750.00	<ul style="list-style-type: none"> • 750 two-bedroom 	2,000,000,000	The Akwa Ibom State Government in partnership with OpenHouse Property Management Company Limited are collaborating in the development of the project. The State has also made a commitment to provide an Irrevocable Standing Payment Order (ISPO) in favour of FHFL towards repayment of debt obligations. The State is currently processing the ISPO. Disbursements will not be made until receipt of the ISPO. The project is located across three (3) villages – Ibiaku Ikpedib and Ibiaku Ikot Ukpong in Ibiona local government area and Ikot Ide Itak in Ikono local government area on a land size of 40.76 hectares.	96 months
FCTA/ FCDA Staff Housing Scheme	Karshi, FCT	287.00	<ul style="list-style-type: none"> • 50 one-bedroom • 200 two-bedroom • 37 three-bedroom 	1,435,000,000	The FCTA through their Satellite Town Development Department (STDD) has proposed a partnership towards the development of the affordable housing project of 770 units; the first phase comprising of 287 housing units in Karshi Satellite Town for Staff of FCT.	24 months
Ebonyi State	Ebonyi	280.00	<ul style="list-style-type: none"> • 140 one-bedroom • 140 two-bedroom 	1,035,000,000	Proposal submitted for the development of 280 affordable housing units in Ebonyi for civil servants in the state. The project is to be secured by an ISPO. The State is currently processing the ISPO. Disbursements will not be made until receipt of the ISPO	96 months
IMHDC	Ibeshe, Lagos	240.00	<ul style="list-style-type: none"> • 110 one-bedroom • 110 two-bedroom • 20 three-bedroom 	1,080,000,000	The proposed project is located along NPA road, off Lagos/Ikorodu express way by Ogolonto bus stop, Ibeshe Ikorodu on 3.920 hectares of land. The project is next to the ongoing LASG 480 units' project within Ikorodu local government. The housing scheme is a partnership with Lagos State Government to provide housing with complementary infrastructure under the Lagos Affordable Public Housing Scheme (LAPH) of the Ministry of Housing.	18 months
Subtotal				9,800,000,000		

11. RENTAL PAYMENT SCHEDULE

Period	Rental Payment Dates	Semi-annual Rental Payment (A'000)	Principal Repayments Payment (A'000)	Total Repayments Payment (A'000)
Payment 1	15-Jan-2022	(650,000,000.00)	(459,404,805.81)	(1,109,404,805.81)
Payment 2	15-Jul-2022	(620,138,687.62)	(489,266,118.19)	(1,109,404,805.81)
Payment 3	15-Jan-2023	(588,336,389.94)	(521,068,415.87)	(1,109,404,805.81)
Payment 4	15-Jul-2023	(554,466,942.91)	(554,937,862.90)	(1,109,404,805.81)
Payment 5	15-Jan-2024	(518,395,981.82)	(591,008,823.99)	(1,109,404,805.81)
Payment 6	15-Jul-2024	(479,980,408.26)	(629,424,397.55)	(1,109,404,805.81)
Payment 7	15-Jan-2025	(439,067,822.42)	(670,336,983.39)	(1,109,404,805.81)
Payment 8	15-Jul-2025	(395,495,918.50)	(713,908,887.31)	(1,109,404,805.81)
Payment 9	15-Jan-2026	(349,091,840.83)	(760,312,964.98)	(1,109,404,805.81)
Payment 10	15-Jul-2026	(299,671,498.10)	(809,733,307.71)	(1,109,404,805.81)
Payment 11	15-Jan-2027	(247,038,833.10)	(862,365,972.71)	(1,109,404,805.81)
Payment 12	15-Jul-2027	(190,985,044.88)	(918,419,760.93)	(1,109,404,805.81)
Payment 13	15-Jan-2028	(131,287,760.42)	(978,117,045.39)	(1,109,404,805.81)
Payment 14	15-Jul-2028	(67,710,152.47)	(1,041,694,653.34)	(1,109,404,805.81)
TOTAL		(5,531,667,281.27)	(10,000,000,000.01)	(15,531,667,281.28)

12. EXTRACT FROM REPORTING ACCOUNTANT'S REPORT

Muhtari Dangana & Co.
CHARTERED ACCOUNTANTS



ACCOUNTANT'S REPORT ON THE FINANCIAL STATEMENTS OF FAMILY HOMES FUNDS LIMITED FOR THE THREE YEARS ENDED 31 DECEMBER 2019, 2018 AND 2017

Report on the Financial Statements
We have reviewed the annual financial statements of Family Homes Funds Limited which, comprise the statement of financial position as at 31 December 2019, 2018, and 2017, the statements of profit or loss and other comprehensive income, statements of changes in equity and statement of cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Financial Statements
The Company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with the applicable financial reporting framework and for such internal control as the directors determine is necessary to enhance the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Independent Reviewer's Responsibility
Our responsibility is to express a conclusion on the annual financial statements based on our review. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400: *Engagements to Review Financial Statements*. ISRE 2400 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE 2400 consists primarily of making inquiries of management and others within the entity involved in financial and accounting matters, applying analytical procedures, and evaluating the sufficiency and appropriateness of evidence obtained. A review also requires performance of additional procedures when the practitioner becomes aware of matters that cause the practitioner to believe the financial statements as a whole may be materially misstated.

The procedures performed in a review engagement are substantially less than those in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements. We believe that the evidence we obtained in our review is sufficient and appropriate to provide a basis for our conclusion.

The Company's auditors expressed unqualified opinion on the financial statements for the years ended 31 December 2019, 2018 and 2017. Ernst & Young were the auditors of the Company for the same three financial-years ended 31 December 2019, 2018 and 2017.

Conclusion
Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Family Homes Funds Limited as at 31 December 2019, 2018 and 2017, its statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for each of the years then ended, in accordance with applicable financial reporting framework.

This report is solely for the use of the Directors of Family Homes Funds Limited and other relevant parties. No part of this report may be quoted or circularised outside these parties without the prior written approval of Muhtari Dangana & Co.

Abel Atalar 26 Nov. 2020
Abel Atalar
FRC/2013/ICAN/00800001141
For: **MUHTARI DANGANA & CO.**
(Chartered Accountants)
Abuja, Nigeria



Family Homes Funds Limited - N10 Billion Sukuk Bond Issuance Programme

OFFICES:

ABUJA
Doola Street
Off Herbert Macaulay Way,
Zone 5, Abuja.
P. O. Box 7436, Wuse
Abuja.
08035159631,
09026213764.

KANO
Edema House
18B Murtala
Mohammed Way,
opposite Dauda Hotel,
P. O. Box 4698, Kano
Tel: 09027085749

LAGOS
Maanah Plaza
19, Araromi Street,
Meloney Street,
Onikan - Lagos
P. O. Box 72293
Tori Island
Tel: 09034544908,
09021503792.

www.muhtaridangana.com.ng
e-mail: info@muhtaridangana.com.ng

FAMILY HOMES FUNDS LIMITED
FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 DECEMBER 2019, 2018 AND 2017

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

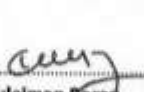
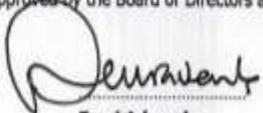
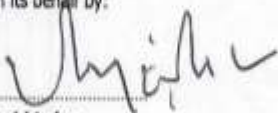
	Notes	2019 ₹'000	2018 ₹'000	2017 ₹'000
Revenue	5	-	-	-
Contract costs		-	-	-
Other income	6	40,583	-	-
		<u>40,583</u>	<u>-</u>	<u>-</u>
Finance income	7	567,377	155,001	10,184
Operating and administrative expenses	8	<u>(717,387)</u>	<u>(390,062)</u>	<u>(282,585)</u>
Loss before tax	9	(109,427)	(235,061)	(272,401)
Income tax expense	10.1	-	-	-
Loss after tax		<u>(109,427)</u>	<u>(235,061)</u>	<u>(272,401)</u>
Other comprehensive income				
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		-	-	-
Total comprehensive loss for the year		<u>(109,427)</u>	<u>(235,061)</u>	<u>(272,401)</u>
Basic / diluted loss per share (Naira)	20.1	<u>(109)</u>	<u>(235)</u>	<u>(272)</u>

FAMILY HOMES FUNDS LIMITED
FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 DECEMBER 2019, 2018 AND 2017

STATEMENT OF FINANCIAL POSITION

	Notes	2019 N'000	2018 N'000	2017 N'000
Assets				
Non-current assets:				
Property, plant and equipment	11	112,055	2,219	1,732
Intangible assets	12	1,598	368	-
Right of use asset	13	39,989	-	-
Investment properties	14	<u>1,259,966</u>	<u>1,259,966</u>	<u>-</u>
Total non-current assets		<u>1,413,608</u>	<u>1,262,553</u>	<u>1,732</u>
Current assets				
Inventory	15	12,623,297	8,803,851	1,201,739
Trade and other receivables	16	5,703,196	95,659	1,000
Cash and cash equivalents	17	<u>2,054,150</u>	<u>12,620,971</u>	<u>127,688</u>
Total current assets		<u>20,380,643</u>	<u>21,520,481</u>	<u>1,330,427</u>
Total assets		<u>21,794,251</u>	<u>22,783,034</u>	<u>1,332,159</u>
Equity and Liabilities				
Equity:				
Share capital	18	1,000	1,000	1,000
Capital grant	19	20,000,000	20,000,000	-
Accumulated losses	20	<u>(616,888)</u>	<u>(507,462)</u>	<u>(272,401)</u>
Total equity		<u>19,384,112</u>	<u>19,493,538</u>	<u>(271,401)</u>
Non-current liabilities:				
Current liabilities:				
Trade and other payables	21	910,139	1,789,496	103,560
Borrowings	22	1,500,000	1,500,000	1,500,000
Income tax payable	10.2	-	-	-
Total current liabilities		<u>2,410,139</u>	<u>3,289,496</u>	<u>1,603,560</u>
Total Equity and Liabilities		<u>21,794,251</u>	<u>22,783,034</u>	<u>1,332,159</u>

These financial statements were approved by the Board of Directors and signed on its behalf by:

		
Suleiman Barad FRC/2015/ICENNIG/00000011559 Chairman	Femi Adewole FRC/2020/008/00000020585 Director	David Lahu FRC/2016/ICAN/000000015483 Chief Finance Officer

The accompanying notes on pages 6 to 41 are an integral part of these financial statements

FAMILY HOMES FUNDS LIMITED
FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 DECEMBER 2019, 2018 AND 2017

STATEMENT OF CHANGES IN EQUITY

	Share capital #’000	Capital grant #’000	Accumulated loses #’000	Total #’000
At 1 January 2019	1,000	20,000,000	(507,462)	19,493,538
Loss for the year	-	-	(109,426)	(109,426)
Other comprehensive loss	-	-	-	-
Total comprehensive loss	-	-	(109,426)	(109,426)
At 31 December 2019	1,000	20,000,000	(616,888)	19,384,112

	Share capital #’000	Capital grant #’000	Accumulated loses #’000	Total #’000
At 1 January 2018	1,000	-	(272,401)	(271,401)
Effect of adoption of new accounting standards (Note 2)	-	-	-	-
At 1 January 2018 (Restated)	1,000	-	(272,401)	(271,401)
Capital grant inflow	-	20,000,000	-	20,000,000
Loss for the year	-	-	(235,061)	(235,061)
Other comprehensive loss	-	-	-	-
Total comprehensive loss	-	-	(235,061)	19,764,939
At 31 December 2018	1,000	20,000,000	(507,462)	19,493,538

	Share capital #’000	Capital grant #’000	Accumulated loses #’000	Total #’000
At 1 January 2017	-	-	-	-
Ordinary share capital issued	1,000	-	-	1,000
Loss for the year	-	-	(272,401)	(272,401)
Other comprehensive loss	-	-	-	-
Total comprehensive loss	-	-	(272,401)	(271,401)
At 31 December 2017	1,000	-	(272,401)	(271,401)

FAMILY HOMES FUNDS LIMITED
FINANCIAL STATEMENTS FOR THE YEARS ENDED 31 DECEMBER 2019, 2018 AND 2017

STATEMENT OF CASH FLOWS

		2019	2018	2017
	Notes	₹'000	₹'000	₹'000
Operating activities				
Loss before taxation		(109,427)	(235,061)	(272,401)
<i>Adjustments to reconcile profit before tax to net cash flow:</i>				
Depreciation of property, plant and equipment	11	16,395	626	-
Depreciation of Right of use asset	13	8,011	-	-
Amortisation of intangibles	12	1,397	33	-
Finance income	7	(567,377)	(155,001)	(10,184)
		<u>(651,001)</u>	<u>(389,403)</u>	<u>(282,585)</u>
Working capital adjustments:				
Increase in inventories		(3,819,446)	(7,602,112)	(1,201,739)
Increase in trade and other receivables		(5,607,537)	(94,659)	(1,000)
(Decrease)/Increase in trade and other payables		<u>(879,357)</u>	<u>1,685,936</u>	<u>103,560</u>
		<u>(10,957,341)</u>	<u>(6,400,238)</u>	<u>(1,381,764)</u>
Interest received	7	567,377	155,001	10,184
Income taxes paid		-	-	-
Net cash flow used in operating activities		<u>(10,389,964)</u>	<u>(6,245,237)</u>	<u>(1,371,580)</u>
Investing activities:				
Purchase of intangible assets	12	(2,627)	(401)	-
Purchase of property, plant and equipment	11	(126,230)	(1,113)	(1,732)
Right-of-use asset	13	(48,000)	-	-
Acquisition of investment properties	14	-	(1,259,966)	-
Net cash flow used in investing activities		<u>(176,857)</u>	<u>(1,261,480)</u>	<u>(1,732)</u>
Financing Activities:				
Issue of shares	18.1	-	-	1,000
Capital grant	18.2	-	20,000,000	-
Proceed from borrowings		-	-	1,500,000
Net cash flow from financing activities		<u>-</u>	<u>20,000,000</u>	<u>1,501,000</u>
Net (decrease)/increase in cash and cash equivalents:		<u>(10,566,821)</u>	<u>12,493,283</u>	<u>127,688</u>
Cash and cash equivalents at 1 January		<u>12,620,971</u>	<u>127,688</u>	<u>-</u>
Cash and cash equivalents at 31 December		<u>2,054,150</u>	<u>12,620,971</u>	<u>127,688</u>

FAMILY HOMES SUKUK ISSUANCE PROGRAM PLC

₦10 Billion Series 1 Fixed Rate Ijara Lease Sukuk Due 2028 Under the ₦30 Billion Sukuk Issuance Programme

Issue Rating:

A+*

Outlook: Stable
Issue Date: 30 April 2021
Expiry Date: 31 March 2022

**This Issue rating is indicative and subject to change at any time. However, a final rating will be based on receipt of all duly executed contractual agreements.*

The final Issue rating will be subject to annual monitoring and review on the anniversary of the Sukuk.

Sponsor's Rating: Bbb
Expiry Date: 30 June 2021

INSIDE THIS REPORT	
Rating Rationale	1
Overview of Project	4
Financial Condition	6
Transaction Structure	11
Outlook	17
Financial Summary	18
Appendix I & II	21
Rating Definition	22

Analysts:
Ikechukwu Iheagwam
 ikechukwuIheagwam@agusto.com

Isaac Babatunde
 isaacbabatunde@agusto.com

Agusto & Co. Limited
 UBA House (5th Floor)
 57, Marina
 Lagos
 Nigeria
 www.agusto.com

High quality debt issue with very low credit risk; very strong capacity to pay returns and principal on local currency debt in a timely manner

RATING RATIONALE

- Agusto & Co. hereby assigns an indicative **"A+"** rating to the Family Homes Sukuk Issuance Program Plc's ("FHSIP", "the Issuer" or "the SPV") ₦10 Billion Series 1 Fixed Rate Ijara Lease Sukuk Due 2028 ("Series 1", "Sukuk" or "Issue") under the ₦30 billion Sukuk Issuance Programme. The Issue rating is underlined by the following: i) The ownership support and financial backing from two Federal Government owned institutions (Federal Ministry of Finance and the Nigeria Sovereign Investment Authority) for Family Homes Funds Limited - the Sponsor, ii) the unconditional and legally binding support provided by the issuance of Irrevocable Standing Payment Order (ISPO) authorising aggregate monthly deductions of ₦173.7 million from Family Homes Funds account held with the Central Bank of Nigeria through a Counter-ISPO mechanism¹ from four states¹ (Adamawa, Bauchi, Borno & Yobe) share of statutory allocations over seven years into a designated sinking fund account to be managed by the Delegate Trustees to meet the Sukuk repayment obligations as and when due, and iii) credit enhancement of ₦2 billion Federal Government of Nigeria Treasury Bills (representing 20% of Sukuk size) to be domiciled with the Delegate Trustees to meet Sukuk obligations in the event of a shortfall in the sinking fund account.
- Family Homes Funds Limited ("Family Homes", "FHFL" or "the Company") is a social housing initiative promoted by the Federal Government of Nigeria (FGN) as part of its National Social Investment Programme aimed at providing affordable housing to low-income families. The Company is self-regulated as a social housing fund and jointly owned by the Federal Ministry of Finance Incorporated (51%) and the Nigeria Sovereign Investment Authority (NSIA) Property Company Limited (49%). The assigned credit rating of the Sponsor **"Bbb"** has been notched up based on the ownership support and financial backing provided by its shareholders, which are government owned institutions.
- The Company facilitated the incorporation of Family Homes Sukuk Issuance Program Plc ("the SPV" or "the Issuer") in October 2020, to raise funds from the capital market through the issuance of Sukuk related instruments. The SPV intends to raise ₦10 billion Series 1 Ijara Lease Sukuk under the ₦30 billion Sukuk Issuance Programme in Q2'2021 and the net proceeds will be used by FHFL to finance the development of housing projects across the country. Agusto & Co. notes that the proposed projects to be funded from the Sukuk proceeds will

¹ The ISPO for the four states have been charged in favour of Family Homes Funds Limited's Treasury Single Account held with the Central Bank of Nigeria (CBN). As part of the transaction structure, a Counter-ISPO by FHFL endorsed by the CBN will be executed to enable monthly transfer of ISPO deductions for specified states (in line with the Delegate Trustees instruction) to a designated Sinking Fund Account under the control of the Delegate Trustees to meet the Sukuk obligations as and when due.

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TRANSACTION PARTIES

Issuer:
Family Homes Sukuk Issuance Program Plc

Sponsor:
Family Homes Funds Limited

Financial Adviser:
Buraq Capital Limited

Lead Issuing House:
Chapel Hill Denham Advisory Limited

Joint Issuing House:
Credent Capital & Advisory Limited
Greenwich Merchant Bank Limited

Delegate Trustees:
STL Trustees Limited
United Capital Trustees Limited
EAC Trustees Limited
Apel Capital and Trust Limited

Solicitors to the Issue:
The Metropolitan Law Firm

Registrar
Africa Prudential Registrars Plc

Stockbrokers:
APT Securities and Funds Limited

Reporting Accountant:
Muhtar Dangana and Co

Receiving Banks:
Jaz Bank Plc
Taj Bank Limited

Shariah Advisers:
Sheik (Asst Professor Dr.) Ziyaad Mahomed
Professor Ahmad Bello Dogarawa

KEY TRANSACTION STRUCTURE

Notes Tenor:
7 years with a semi-annual payment of lease rentals

Sukuk Status:
The Sukuk shall be direct, unsecured, senior and unconditional obligations of the Issuer and shall rank pari-passu among themselves and equally with other existing obligations of the Issuer.

Use of Sukuk Proceeds:
The net proceeds will be used by the Sponsor to finance affordable housing projects in seven states in the country.

Source of Repayment:
ISPO approved by the Federal Ministry of Finance for monthly remittance of ₦173.7 million from Family Homes Funds account held with the Central Bank of Nigeria through a Counter-ISPO mechanism from four states' (Adamawa, Bauchi, Borno & Yobe) share of statutory allocations over seven years into a

not constitute part of the Sukuk Assets and also the receivables from these projects will not serve as the source of repaying the Sukuk obligations. However, the Counter-ISPO on the four states will serve as a guarantee to secure the repayment of the Ijara Lease Sukuk obligations as and when due.

- In line with the Sukuk pricing supplement, a fixed return will be paid semi-annually in arrears over seven years in the form of rental payments under the Deed of Sale for the Sponsor's use of the Sukuk Assets. These rentals will be deposited into a Sinking Fund Account managed by the Delegate Trustees for the benefit of the Sukukholders. In addition, the Sukuk, which will be offered for subscription to the public shall be direct, unsecured, senior and unconditional obligations of the Issuer and shall rank pari-passu among themselves and equally with other existing obligations of the Issuer.
- To ensure that the Series 1 Sukuk obligations are met timely, an ISPO in the sum of ₦173.7 million monthly over seven-years has been approved by the Federal Ministry of Finance (through a Counter-ISPO mechanism on the duly executed ISPOs on Adamawa, Bauchi, Borno and Yobe states) as the principal source of repaying the obligations. Also, Family Homes Funds Limited will provide credit enhancement in the form of ₦2 billion Federal Government of Nigeria Treasury Bills (representing 20% of Sukuk size) to be domiciled in the Sinking Fund Account (SFA) under the control of the Delegate Trustees to cover the periodic Sukuk rentals in the event of shortfall in the SFA.
- Given that the duly executed ISPOs are the primary source of servicing the Series 1 Ijara Lease Sukuk obligations, we have estimated that the aggregate amount to be set aside by way of monthly ISPO contributions (including the ₦2 billion treasury bills) into the SFA over the forecast period will amount to ₦16.6 billion. Based on our analysis, the funds to be set aside in the SFA over the Sukuk tenor will be sufficient to cover the total Sukuk obligations at indicative rental rates of 13%² resulting in an SFA coverage ratio of 1.07 times, which in our view is satisfactory.
- Agosto & Co. notes that the ISPOs and mechanics of operations which include the provision of a Counter-ISPO in favour of the Delegate Trustees (given that the ISPO domiciliation is with FHFL's Treasury Single Account held with the Central Bank of Nigeria) provide assurances that funds earmarked for the Sukuk repayment will be transferred monthly from FHFL's TSA account into the designated SFA following first-line monthly deductions from the respective states' share of statutory allocation. Should this Counter-ISPO not be enforceable and legally binding, we would downgrade the rating of the Series 1 Ijara Lease Sukuk to the stand-alone rating of the Sponsor, which is "Bbb".
- Based on the aforementioned, Agosto & Co. hereby attaches a **stable** outlook to the Family Homes Sukuk Issuance Program Plc's Series 1 Ijara Lease Sukuk premised on the Issuer's capacity to meet the Sukuk obligations supported by the ISPO structure and credit enhancement.

² At indicative rental rates of 15% for the Sukuk, the SFA coverage ratio will be 1.01 times, which is just adequate in our view.

14. APPENDIX II - EXTRACT FROM SERIES I TRUST DEED

The information in this section is a summary of the certain provisions of the series 1 trust deed. this summary should be read in conjunction with and is qualified in its entirety by reference to all the provisions of the series I trust deed. A copy of the series I trust deed is available for inspection at the registered office of the trustees.

EXTRACT FROM SERIES I TRUST DEED

5. THE SUKUK CERTIFICATE

- 5.1. The Issuer shall issue and offer the Sukuk in an aggregate nominal investment amount of up to ₦10,000,000,000 (Ten Billion Naira Only) or such other amount as may be agreed by the Originator and the Issuer.

The minimum investment amount shall be ₦10,000,000.00 i.e. 10,000 units at ₦1,000.00 per unit; and multiples of ₦1,000,000.00 (One Million Naira) thereafter.

- 5.2. Each Sukuk Certificate represents an undivided ownership interest in the Trust Assets and will rank pari passu, without any preference, with the other Certificates.
- 5.3. Each Sukuk Certificate represents a limited recourse obligation of the Issuer and Delegate Trustees.
- 5.4. Each Sukuk Certificate shall be issued by way of an offer for subscription through the Issuer.
- 5.5. The Sukuk Certificates shall be issued only as fully paid.
- 5.6. All the terms and conditions contained in the Conditions shall be applicable to each Sukuk Certificate issued under this Deed.
- 5.7. The Sukuk Certificates shall be issued in uncertificated (dematerialized, electronic, or book-entry) form and registered in the Register with copies of the certificates certified by the Registrar sent to the Issuer and Sponsor for their records. The Issuer and Sponsor shall also be updated on any changes in the Register by the Registrar.
- 5.8. Each Sukuk Certificate shall be registered with a separate securities identification code with the CSD or any other organisation that may be appointed for that purpose.
- 5.9. Upon allotment, the Sukukholders will receive an E-allotment statement issued by the Registrar/CSD confirming the Sukukholder's aggregate interests in the Lease Asset. In the case of joint Sukukholders, the joint Sukukholders shall be entitled to only one E-allotment statement for Sukuk Certificates held jointly by them. Such a statement shall be issued in the names of the joint Sukukholders and the delivery of a statement to one of the joint Sukukholders shall be sufficient delivery to all such Sukukholders.
- 5.10. Statements issued by the Registrar/CSD as to the aggregate value of the Sukuk Certificates standing to the credit of any Sukukholder shall be conclusive and binding for all purposes save in the case of manifest error and such person (or his/her legal representatives) shall be treated by the Issuer, the Delegate Trustees and the Registrar/CSD as the legal owner of the Sukuk for all purposes.
- 5.11. The Sukukholders (or his/her legal representatives) shown in the Register are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of this Deed.

6. TITLE

- 6.1 The registered Holder of any Sukuk Certificate will (except as otherwise required by law) be treated as the absolute owner of the Sukuk represented by the Sukuk Certificate for all purposes (whether or not any payment thereon is overdue and regardless of any notice of ownership, trust or any interest or any writing on, or the theft or loss of, the Sukuk Certificate) and no person will be liable for so treating the Holder of any Sukuk Certificate. The registered Holder of a Sukuk Certificate will be recognized by the Trustees as entitled to his Sukuk Certificate free from any equity, set-off, or counterclaim on the part of the Issuer against the original or any intermediate Holder of such Sukuk Certificate.

9. TRANSFER OF SUKUK CERTIFICATES

- 11.1. Transfer of the Sukuk Certificates, which will be issued in uncertificated form, shall be effected in accordance with the rules governing the transfer of title in securities held by the CSD and/or any Exchange upon which the Sukuk Certificate is listed.
- 11.2. No Sukukholder may require the transfer of a Sukuk Certificate to be registered during 10 (Ten) days ending on (and including) the due date for any payment of the Periodic Distribution Amount (as stated in Clause 20.2 of the Trust Deed).
- 11.3. Registration of any transfer of the Sukuk will be effected without charge by or on behalf of the Issuer or the Registrar but upon payment (or the giving of such indemnity as the Issuer or the Registrar may reasonably require) by the transferee in respect of charges which may be imposed by the CSD in relation to such transfer.

10. LIMITED RECOURSE

- 10.1. The Sukuk does not represent any interest in or obligation of any other asset of the Issuer, the Delegated Trustees, the Originator, the Paying Agent, or their respective affiliates. Accordingly, the Sukukholders, by subscribing for or acquiring the Sukuk, acknowledge that they will have no recourse to any other assets of the Issuer or Delegated Trustees other than the Trust Assets.
- 10.2. Family Homes Funds Limited in its capacity as the Obligor and the Lessee is obliged to make certain payments under the Transaction Documents to the Issuer. The Delegate Trustees, as agents of the Issuer in the event of default by the Obligor as provided under the transaction documents, will have direct recourse against the Trust Assets to recover such payments. Where the net proceeds of realization of, or enforcement of, the Trust Assets may not be sufficient to make all payments due in respect of the Sukuk, or if following the distribution of such proceeds, there remains a shortfall in payments due under the Sukuk, subject to paragraph 11 of the Conditions, no Sukukholder will have any claim against the Issuer (to the extent that the Trust Assets have been exhausted); the Obligor, the Lessee or the Delegate Trustees (to the extent that each fulfills all of its obligations under the Transaction Documents to which it is a party) or against any assets (other than the Trust Assets to the extent not exhausted) in respect of such shortfall, and any unsatisfied claims of the Sukukholders shall be extinguished. The Issuer, the Delegate Trustees and the Sukukholders shall only be entitled to deal with the Trust Assets as expressly permitted by the Transaction Documents, and the Terms and Conditions, and the sole right of the Delegate Trustees and, subject to paragraph 11 of the Conditions, the Sukukholders against the Lessee or the Obligor shall be to enforce their obligations over the Trust Asset in their respective capacities under the Transaction Documents.

11. AGREEMENT OF SUKUKHOLDER

- 11.1. By purchasing the Sukuk Certificates, each Sukukholder is deemed to have agreed that notwithstanding anything to the contrary contained in the Deed, the Conditions, or any Transaction Document that:
- a. no payment of any amount whatsoever shall be made by or due on the Sukuk Certificates, except the Trust Assets;
 - b. all payments due under the Sukuk Certificates shall be made by the Paying Agent as a direct obligation of the Issuer, from the proceeds of the Trust Assets, in accordance with paragraph 4.2 of the Conditions;
 - c. no recourse shall be held to the Delegate Trustees for the payment of any amount owing hereunder or under any Transaction Document, whether for the payment of any fee or other amount hereunder or any other obligation or claim arising out of or based upon the Transaction Documents, against any of the Issuer, the Delegate Trustees or the Obligor (to the extent that the Trust Assets have been exhausted following which all obligations of the Issuer, the Delegate Trustees and the Obligor shall be extinguished); and
 - d. it will not institute, or join any other person in instituting, against the Issuer, the Obligor or the Delegate Trustees, any bankruptcy, reorganization, arrangement or liquidation proceedings or other similar proceedings under any bankruptcy or similar law.

12. RIGHTS OF SUKUKHOLDERS

- 12.1 Each Sukukholder shall have an indivisible ownership interest in the Trust Assets and no Sukuk Certificate shall confer any interest or share in a particular part of the Trust Assets. No Sukukholder shall have a right to call for any partition or division of any portion of the Trust Assets by virtue of his/its ownership interest in the Trust Assets.
- 12.2 The Sukukholders shall not have any right against the Delegate Trustees in respect of their investments except such rights as are expressly conferred upon them by this Deed, the Conditions, or by any law, subsidiary legislation, regulation or any order of a court.
- 12.3 A Sukukholder shall have the right proportionate to the number of his/its ownership interests in the Trust Assets.
- 12.4 Only persons who have been duly registered in the Register maintained by the Registrar as Sukukholders shall have the right to be recognized as such.
- 12.5 A Sukukholder shall have the right to pledge, charge, mortgage, or otherwise offer his Sukuk Certificate as security for a debt, a financing or an obligation and in any such case, the Sukukholder shall notify the Delegate Trustees, the Registrar and the CSD, in writing, of the pledge, charge, mortgage or obligation.

13. FUNCTIONS OF THE DELEGATE TRUSTEES

- 13.1 The Delegate Trustees will, inter alia, in relation to the Sukuk Certificates:
- a. ensure that the Trust Assets are ascertainable and the beneficial title to all the Trust Assets is vested in the Issuer;
 - b. ensure the timely payment of the Periodic Distribution Amount and/or the Dissolution Distribution Amount to Sukukholders;
 - c. enforce the Trust Assets;
 - d. ensure the collection and distribution of the proceeds of the Trust Assets in accordance with the terms of this Deed and the Conditions;
 - e. distribute the proceeds of any enforcement of the Trust Assets;

- f. take such other steps as are reasonably necessary to ensure that the Sukukholders receive the distributions to be made to them in accordance with the Transaction Documents and the Terms and Conditions;
- g. ensure the proper administration and management of the Issuer;
- h. ensure that the FHFL effectively performs its duties as a Facility Manager to manage the entire affairs of the asset under the Service Agency Agreement; and
- i. do all such things that are incidental to their powers and functions under this Deed.

14. POWERS OF THE DELEGATE TRUSTEES

14.1 Without prejudice to the powers vested in the Delegate Trustees by this Deed or otherwise, the Delegate Trustees will have the following powers:

- a. to enter into and execute all contracts, deeds and documents and do all acts, matters or things which it may deem expedient for giving effect to and carrying out the trusts, authorities, powers and discretions conferred upon the Issuer and/or Delegate Trustees by this Deed, provided that where a cumulative expense exceeding ₦ 100,000.00 (One Hundred Thousand Naira Only). in a calendar year would be incurred, the pre-agreed consent of the Originator shall be sought;
- b. to appoint, at its discretion, remove or suspend consultants, agents, servants and other delegates, and to determine the powers and duties to be delegated to them and to pay such remuneration to them as it may think fit, subject to agreeing on such remuneration with the Originator;
- c. to institute, conduct, defend, compound or abandon any legal proceeding concerning the affairs of the Trust and also to compound and allow time for payment or satisfaction of any debts due and of any claims or demands by or against the Trust;
- d. to settle or compromise any claim or demand by or against the Trust, and to refer any claim or demand by or against the Trust to arbitration and observe and carry out any actions required of them as Delegate Trustees;
- e. to make and give receipts, releases and other discharges for money payable to the Trust and for the claims and demands of the Trust;
- f. to ensure proper written financial records in respect of the activities of the Issuer are maintained and cause those records to be audited and filed as may be required by any statute or regulation unless an express exception from these obligations, is issued by a competent authority, in favour of the Issuer; and
- g. to determine who shall be entitled to sign on the Issuer's behalf receipts, acceptances, endorsements, releases, contracts and documents.

15. ISSUER'S COVENANTS

15.1. The Issuer, in its capacity as trustee under this Deed hereby covenants that it shall not:

- a. do anything or carry out any activity not expressly permitted by its memorandum and articles of association;
- b. redeem or purchase any of its shares or pay any dividend or make any other distribution to its shareholders (excluding, for the avoidance of doubt, any consideration payable by the Issuer to the FHFL as contemplated by the Transaction Documents and/or the Terms and Conditions);
- c. use the proceeds of the issue of the Sukuk for any purpose other than as stated in the Transaction Documents;

- d. put to its directors or shareholders any resolution for, or appoint any liquidator for, its winding-up or any resolution for the commencement of any other bankruptcy or insolvency proceeding with respect to it;
- e. enter into any contract, transaction, amendment, obligation or liability that may be detrimental to the interest of the Sukukholders;
- f. co-mingle the Trust Assets with its assets or any other assets which it holds in trust for any person other than the Sukukholders;
- g. incur any indebtedness whatsoever, or give any guarantee in respect of any obligation of any person or issue any securities (or rights, warrants or options) except, in all cases, as contemplated in the Transaction Documents;
- h. secure any of its present or future indebtedness for borrowed money by any lien, pledge, charge or other security interest with the Trust Assets; or
- i. sell, lease, transfer, assign, participate, exchange or otherwise dispose of, or pledge, mortgage, hypothecate or otherwise encumber (by security interest, a lien (statutory or otherwise), preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever or otherwise) (or permit such to occur or suffer such to exist), any part of (i) its title to the Trust Assets or any interest therein except pursuant to the Transaction Documents or (ii) its interests in any of the other Trust Assets except pursuant to the Transaction Documents.

16. DELEGATE TRUSTEES' COVENANT

16.1 With respect to the Trust Assets, the Delegate Trustees covenant that, as long as the Sukuk are outstanding, they shall not:

- a. co-mingle the Trust Assets with their assets or any other assets but shall ensure that the Trust Assets are separately identified and segregated in their records and accounts and from other investments held for the benefit of any other party or themselves;
- b. incur any indebtedness in any form whatsoever, or give any guarantee in respect of any obligation of any person or issue any securities (or rights, warrants or options) except, in all cases, as contemplated in the Transaction Documents;
- c. secure any of their present or future indebtedness for borrowed money by any lien, pledge, charge or other security interest with the Trust Assets;
- d. sell, lease, transfer, assign, participate, exchange or otherwise dispose of, or pledge, mortgage, hypothecate or otherwise encumber (by security interest, a lien (statutory or otherwise), preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever or otherwise) (or permit such to occur or suffer such to exist), any part of (i) the Issuer's title to the Trust Assets or any interest therein except pursuant to the Transaction Documents; or (ii) the Issuer's interests in any of the other Trust Assets except pursuant to the Transaction Documents;
- e. use the proceeds of the issue of the Sukuk for any purpose other than as contemplated in the Transaction Documents; and
- f. amend or agree to any amendment of any Transaction Document and/or the Terms and Conditions in a manner which is prejudicial to the rights of the Sukukholders.

16.2 With respect to the Trust Assets, the Delegate Trustees covenant that as long as the Sukuk are outstanding, they shall:

- a. act with diligence and prudence in the administration of the Trust;
- b. observe the utmost good faith in any transaction carried out on behalf of the Sukukholders; and
- c. avoid any conflict of interest with those of the Sukukholders.

16.3 The Delegate Trustee hereby covenants to:

- a. ensure that the Registrar pays all amounts due under any Transaction Document to the relevant beneficiary in accordance with the terms laid out in the Transaction Documents; and
- b. ensure that the Registrar pays all monies due to the Sukukholders as at when due and be directly liable to the Sukukholders and the Delegate Trustees for the payments due to the Sukukholders.

17. FHFL'S COVENANTS

17.1 The Originator, in its capacity as a shareholder of the Issuer, covenants that:

- a. it shall ensure that the Delegate Trustees shall be entitled to appoint a majority of the directors on the Issuer's Board of Directors; and
- b. it shall exercise all voting rights and other powers of control available to it as a shareholder of the Issuer to ensure that the Issuer shall not perform or undertake to perform any of the following acts unless the prior approval in writing of the Delegate Trustees has been obtained:
 - i. a change of the company's name;
 - ii. any alteration of the memorandum of association with respect to the business or objects of the company;
 - iii. any alteration of the articles of association;
 - iv. the re-registration of the company from a public to a private company;
 - v. any reduction of the company's share capital;
 - vi. any variation of rights attaching to any class of shares;
 - vii. the winding-up by the court at the instance of the company;
 - viii. the voluntary winding up of the company;
 - ix. any purchase by the company of any of its shares;
 - x. the approval by the company of any financial assistance for the purchase of any of its shares;
 - xi. the approval of an arrangement on sale of the Issuer's property during a members' voluntary winding up;
 - xii. any provision for reserve liability capital;
 - xiii. the payment of any dividend;
 - xiv. the incorporation of any subsidiary of the Issuer;
 - xv. the transfer of any material assets of the Issuer;
 - xvi. any decision to enter into a merger with another entity;
 - xvii. an application for judicial pre-insolvency hearings; and
 - xviii. any decision to list the Issuer on any recognized publicly traded stock exchange.

17.2 The Obligor hereby covenants to:

- a. enter into the Ijarah (Lease) Agreement and all other Transaction Documents, to which it is a Party, and perform all of its covenants, duties and obligations under such Transaction Documents; and
- b. pay the rental under the Ijarah (Lease) Agreement and the Purchase Price under the Purchase Undertaking.

18. INDEMNITIES, RIGHTS AND DISCRETION OF DELEGATE TRUSTEES

18.1. Without prejudice to any indemnity allowed by law or elsewhere herein given to the Delegate Trustees, the following provisions shall apply:

- a. The Delegate Trustees shall not be responsible for the authenticity of any transfer of a Sukuk Certificate by any Sukukholder to another party.
- b. The Delegate Trustees shall not incur any liability to the Sukukholders for doing or failing to do any act or thing which, by reason of any provision of any present or future law or regulation made pursuant thereto or of any decree order or judgment of any court or by action (whether of binding legal effect or not), maybe taken or made by any person or body acting with or purporting to exercise the authority of any government (whether legally or otherwise) where the Delegate Trustees shall be directed or requested to do or perform or to forbear from doing or performing.
- c. The Delegate Trustees shall be entitled to require that the signature of any Sukukholder or joint Holder to any document required to be signed by him/it under or in connection with this Deed be authenticated to their reasonable satisfaction.
- d. The Delegate Trustees shall not be liable to account to any Sukukholder or otherwise for any payment made or suffered by the Delegate Trustees, the Originator or any person acting under their authority, in good faith nor to any duly-empowered fiscal authority of Nigeria or elsewhere for Taxes arising out of or relating to any transaction of whatsoever nature under these presents notwithstanding that any such payments need not have been made or suffered.
- e. The Delegate Trustees shall, as regards all the powers and discretion vested in them by this Deed, have discretion to the exercise or non-exercise thereof and in the absence of fraud and negligence, the Delegate Trustees shall not in any way be responsible for any loss, costs or damages that may result from the exercise or non-exercise thereof.
- f. The Delegate Trustees may act upon the advice, statement or information obtained from stockbrokers, accountants, lawyers, bankers or other persons believed by the Trustees, in good faith, to be experts in the matters on which they have been consulted, and the Delegate Trustees shall not be liable for anything done or omitted or suffered to be done by them in reliance upon such advice statement or information.
- g. If for any reason it becomes impossible or impracticable to carry out any of the provisions of this Deed, neither of the Delegate Trustees shall be under any liability thereof or thereby. None of the Delegate Trustees shall incur liability for any error of law, in the absence of fraud or negligence, in connection with any matter or thing done or suffered to be done or omitted to be done by them in good faith.
- h. The Delegate Trustees shall not be required to expend or risk their funds or otherwise incur any liability in the performance of their duties or the exercise of their rights or powers as trustees.

19. ENFORCEMENT AND EXERCISE OF RIGHTS

- 19.1. Following the distribution of the proceeds of the Trust Assets in respect of the Sukuk Certificates to the Sukukholders, in accordance with the Conditions and this Deed, the Delegate Trustees shall not be liable for any further sums and, accordingly, the Sukukholders may not take any action against the Delegate Trustees (to the extent that they have fulfilled their obligations under the Transaction Documents and/or the Terms and Conditions) to recover any such sum in respect of the Sukuk Certificates or the Trust Assets.
- 19.2. Upon the payment of all Rental and the Dissolution Distribution Amount, the obligations of the Issuer in respect of the Sukuk Certificates shall be satisfied and no Holder of the Sukuk Certificates may take any further steps against the Issuer to recover any further sums in respect of the Sukuk Certificates and the right to receive any such sums unpaid shall be extinguished. In particular, no Holder of the Sukuk Certificates shall be entitled in respect thereof to petition or to take any other steps for the winding-up of the Issuer or the Obligor.

21. NOTICES

21.1. All notices to Sukukholders will be valid if:

- a. published in at least two (2) daily newspapers with national coverage; or
- b. emailed to them; or
- c. sent by registered post to their registered address.

21.2. The Delegate Trustees shall also ensure that notices are duly given or published in a manner that complies with the rules and regulations of any Stock Exchange on which the Sukuk Certificates are for the time being listed. Any notice shall be deemed to have been given on the day after being so mailed or on the date of publication or, if so published more than once or on different dates, on the date of the first publication.

22. TAXATION

22.1. In accordance with the provisions of the relevant tax legislation, payments in respect of the Sukuk shall be made without withholding or deduction of any Taxes of whatever nature imposed or levied by or in the Federal Republic of Nigeria, in accordance with the relevant Exemption Orders.

22.2. Upon expiration of the Exemption Orders, the relevant Taxes will be deducted.

24. AMENDMENT AND MODIFICATION

24.1. All the Parties shall be entitled by deed supplemental hereto to modify, alter, or add to the provisions of this Deed in such manner and to such extent as they may consider expedient for any purpose PROVIDED that unless the Delegate Trustees shall certify in writing that in their opinion such modification, alteration, or addition does not prejudice the interests of the Sukukholders, no such modification, alteration, or addition shall be made without the sanction of an Extraordinary Resolution of a Meeting of Sukukholders duly convened and held in accordance with the provisions contained in Schedule 1 hereto; PROVIDED that no such modification, alteration, or addition shall be made without the prior review and approval of the Commission and the Sharia Advisers; and PROVIDED also that no such modification, alteration or addition shall impose upon any Sukukholder any obligation to make any further payment in respect of his/its Sukuk Certificate(s) or to accept any liability in respect thereof.

25. GOVERNING LAW

25.1 This Agreement and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the laws of the Federal Republic of Nigeria.

25.2 The Parties are satisfied that this Agreement complies with applicable Islamic law of commercial transactions and each Party agrees that it will not seek to challenge the enforceability of this Agreement in the future for reasons of non-compliance with Islamic law principles or non-applicability of Islamic law.

26. WAIVER OF INTEREST

26.1 Each Party irrevocably agrees that no interest will be payable or receivable under or in connection with this Agreement and in the event that it is determined that any interest is payable or receivable in connection with this Agreement by a Party, whether as a result of any judicial award or operation

of any applicable law or otherwise, such Party agrees to waive any right it may have to claim and donate such interest to charity that neither of the parties shall stand to benefit from.

26.2 For the avoidance of doubt, nothing in this Clause 26 (Waiver of Interest) shall be construed as a waiver of rights in respect of the Rental or any other amounts payable by the Obligor pursuant to this Agreement, howsoever such amounts may be described or re-characterized by any court or arbitral tribunal.

27. DISPUTE RESOLUTION

27.1 If any dispute arises as to the validity, interpretation, rights and or obligations of the Parties under this Agreement, the Parties shall use their best endeavours to reach an amicable settlement of the dispute; provided that notification of any such dispute shall be given to the SEC within five (5) Business Days of its occurrence.

27.2 Where the Parties fail to reach an amicable settlement of such dispute within a period of ten (10) Business Days, the dispute shall be resolved by arbitration conducted in accordance with the provisions of the Arbitration and Conciliation Act, Cap. A18 Laws of the Federation of Nigeria 2004.

27.3 The arbitration panel shall consist of a single Arbitrator jointly appointed by the Parties and who shall have knowledge in Islamic commercial jurisprudence. Where the Parties are unable to agree on the choice of the Arbitrator within two (2) Business Days of the referral of such dispute to arbitration, the choice of the arbitrator shall be referred to the Director-General of the SEC, who shall nominate the arbitrator. The arbitral proceedings shall be held at the Federal Capital Territory Abuja and shall be conducted in the English language.

27.4 The arbitrator shall have a maximum period of ten (10) Business Days following the parties' exchange of pleadings, to resolve the dispute; failing which the dispute shall be referred to the SEC for resolution.

27.5 Any Party aggrieved by the decision of the SEC reached in accordance with Clause 27.4 may then refer the matter to the Investments and Securities Tribunal, established in accordance with the provisions of the ISA, for final resolution.

27.6 The cost of the arbitration proceeding shall be borne by the Parties.

30. SHARIA COMPLIANCE

30.1 At all times, the Parties are satisfied that this Agreement complies with applicable Islamic law of commercial transactions and each Party agrees that it will not seek to challenge the enforceability of this Agreement in the future for reasons of non-compliance with Islamic law principles or non-applicability of Islamic law.

15. APPENDIX III – LIST OF SUKUK ASSETS

S/No	TITLE/STATUS	DESCRIPTION/TYPE	LOCATION	BOOK VALUE (₦) v – current	MARKET VALUE (₦)
1	Certificate of Occupancy	Land	Bauchi State (Azare)	N/A	
2	Certificate of Occupancy	Land	Bauchi State (Misau)	N/A	N/A
3	Certificate of Occupancy	Land	Bauchi State (Ningi)	N/A	N/A
4	Certificate of Occupancy	Land	Bauchi State (Jama'are)	N/A	N/A
5	Certificate of Occupancy	Land	Bauchi State (Dass)	N/A	N/A
6	Certificate of Occupancy	Land	Bauchi State (Bauchi)	N/A	N/A
7	Certificate of Occupancy	Land	Adamawa State (Sabere at Yola South Local Govt)	N/A	N/A
8	Certificate of Occupancy	Land	Adamawa State (Yolde -Pate at Yola South Local Govt)	N/A	N/A
9	Muhammadu Sanusi II Royal Estate, Kano	3-bedroom flats, 2-bedroom flats and 3-bedroom bungalow	Darmanawa Royal City, Kano State	4,380,008,232.06	N/A
10	Gidan Iyali Housing Estate, Kaduna	1-bedroom bungalow, 2-bedroom bungalow, 3-bedroom Semi-detached bungalow, and 3-bedroom Terrace duplex	Millennium City, Chikun, Kaduna State	2,837,044,571.47	N/A
11	Family Housing Estate, Delta State	1-bedroom terrace bungalow, 2-bedroom semi-detached bungalow, and 3-bedroom semi-detached bungalow	Along Issele-Azagba/Otulu road, Asaba, Delta State	3,533,274,142.92	N/A
12	New Makun Housing Estate, Ogun	Mixed use block of flat, Studio flat, and 3-bedroom bungalow	New Makun City, along Lagos-Ibadan expressway.	3,596,799,855.21	N/A
13	Grand Luvu Estate 1 & 2	1 Bedroom and 2 Bedroom	Luvu, Nassarawa	2,082,997,890.81	N/A

16. APPENDIX IV – PROCEDURE FOR APPLICATION AND ALLOTMENT

1. Invitation for Participation

Qualified Investors are hereby invited to participate in the Issue through the Issuer and the Issuing Houses to the Issue (“the Selling Group”).

- a. The Book Building Period opened on June 25, 2021 and closed on July 6, 2021. Orders must be for a minimum units of NGN 10,000, 000 (Ten Million Naira) (i.e. 10,000 units at ₦1,000 per unit) and multiples of NGN 1,000,000 (One Million Naira) thereafter.
- b. The amount indicated on Commitment Form by a Participant (“Participation Amount”) and the rate within the Price Range indicated in the Commitment Form by a Participant (“Bid Rental Rate”) should be entered in the space provided in the prescribed Commitment Form attached to this Pricing Supplement. Photocopies or scanned copies of the Commitment Form will not be accepted.
- c. By completing the Commitment Form, each Participant hereby agrees that the Order is irrevocable and, to the fullest extent permitted by law, the obligations in respect thereof shall not be capable of rescission or termination by any Participant.
- d. Participants may order the Sukuk at any price within the Price Range subject to the Minimum Participation Amount and the terms and conditions stated on the Commitment Form.
- e. A corporate Participant should affix its official seal in the box provided and state its incorporation (RC) Number or, in the case of a corporate foreign subscriber, its appropriate identification/incorporation number in the jurisdiction in which it is constituted.
- f. Upon the completion and submission of the Commitment Form, the Participant is deemed to have authorised the Issuer and the Issuing Houses/Book Runners to effect the necessary changes in the Prospectus as would be required for the purposes of filing an application for the clearance and registration of the Final Pricing Supplement with the SEC. The Commitment Form shall be considered as the Application Form for the purposes of registration of the Final Pricing Supplement with the SEC.
- g. Participants may not submit an Order on another Commitment Form after the submission of a Commitment Form to a member of the Selling Group. Submission of a second or more Form(s) of Commitment to either the same or to another member of the Selling Group will be treated as multiple applications and will be rejected.
- h. Participants shall have the option to make a maximum of three Orders on a single Commitment Form and such options shall not be considered as multiple applications.
- i. The Commitment Form presents the Participant with the choice to bid for up to three (3) optional Bid Rental Rates within the Price Range and to specify the Participation Amount in each option. The Bid Rental Rates and the Participation Amounts submitted by the Participant in the Commitment Form will be treated as optional demands from the Participant and will not be cumulated.
- j. After determination of the Rental Rate, the maximum Participation Amount specified by a Participant at or below the Clearing Price will be considered for allocation and the rest of the order(s), irrespective of the corresponding Bid Rental on Rate(s), will become automatically invalid.
- k. The Issuer, in consultation with the Book Runners, reserves the right not to proceed with the Issue at any time including after the Book Building Opening Date but before the Allotment Date without assigning any reason therefore but after notification to the SEC.

2. Payment Instructions

Successful Participants should ensure that payment of the Participation Amount is received on the Signing Ceremony Date via the Real Time Gross Settlement (“RTGS”) into the following designated Issue Proceeds Accounts domiciled with the Receiving Banks:

Bank	Account Name	Account No.
Jaiz Bank PLC	Family Homes Sukuk Issuance Program Plc Sukuk Offer Proceeds Account	0008610700
Taj Bank Limited	Family Homes Sukuk Issuance Program Plc Sukuk Offer Proceeds Account.	0001374981

3. Allocation/Allotment

- a. On the Pricing Date, the Issuing Houses/Book Runners will analyse the demand generated at various price levels and, in consultation with the Issuer and Sponsor, finalise the Rental Rate and the allocations to each Participant. Allocation Confirmation Notices will be sent to successful Participants thereafter.
- b. The Directors of Family Homes Sukuk Issuance Program Plc and the Issuing Houses/Book Runners reserve the right to accept or reject any application in whole or in part for not complying with the terms and conditions of the Issue.
- c. Upon clearance of the Final Pricing Supplement by the SEC, allotment shall be effected in a dematerialised (uncertificated) form. **Participants are mandatorily required to specify their Bank Verification Number (BVN), CSCS Account Number, the name of their Stock-broking Firm and the Clearing House Number (CHN) in the spaces provided on the Commitment Form.**

4. Bank Account Details

- a. Participants are required to indicate their bank account details in the space provided on the Commitment Form for the purposes of future payments of Rentals and the Principal Amount.
- b. Participants are advised to ensure that bank account details stated on the Commitment Form are correct as these bank account details shall be used by the Registrar for all payments indicated in 4.1 above in connection with the Sukuk.
- c. Failure to provide correct bank account details could result in delays in credit of such payments or the issuance of cheques/warrants which shall be sent by registered post to the specified addresses of the affected investors. The Issuer, the Issuing Houses, the Receiving Bank, the Trustees and the Registrar shall not have any responsibility nor will any of these specified parties undertake any liability for the same.

17. APPENDIX V – COMMITMENT FORM

FOR ELIGIBLE INVESTORS ONLY



Book Build Period
Opens: June 25, 2021
Closes: July 6, 2021

FAMILY HOMES SUKUK ISSUANCE PROGRAM PLC
RM10,000,000,000 Series I: Ijara Lease Sukuk due 2028
(being offered to Qualified Institutional Investors and High Net Worth Individuals)
Under the N30,000,000,000 Sukuk Issuance Programme

LEAD ISSUING HOUSE



JOINT ISSUING HOUSES



SHARI'AH ADVISER



OFFERING BY WAY OF BOOK BUILD

Orders must be made in accordance with the instructions set out in this Pricing Supplement. Investors must carefully follow all instructions as applications which do not comply with the instruction may be rejected. If in any doubt, consult your Stockbroker, Accountant, Banker, Solicitor or any professional adviser for guidance. By signing this form, you confirm and agree that the Issuing Houses are acting as agents for the Company and no other party, including any investor, in relation to the Offer

All Sections of this Form must be completed (as applicable) PLEASE USE BLOCK LETTERS

QUALIFIED INVESTOR (PLEASE TICK ✓)	DATE (DD/MM/YYYY)	CONTROL NO. (FOR REGISTRARS' USE ONLY)
High Net worth Investors	/ / 2 0 2 1	
Fund Managers		
Pension Fund Administrators	DECLARATION <input checked="" type="checkbox"/> I/We hereby confirm that I am/we are eligible persons to participate in this Sukuk Issue in accordance with applicable SEC Rules and Regulations. <input checked="" type="checkbox"/> I/we hereby irrevocably undertake and confirm my/our Order(s) for the Sukuk equivalent to my/our Participation Amount(s) set out below at the Rental Rate to be discovered through the Book Building Process. <input checked="" type="checkbox"/> I/We authorise you to enter my/our name on the Register of Holders as holders of the Sukuk that may be allotted to me/us and to register my/our address as given below.	<input checked="" type="checkbox"/> I/We note that the Issuer and the Issuing Houses/Book Runners are entitled in their absolute discretion to accept or reject this Order. <input checked="" type="checkbox"/> I/We agree to accept the Participation Amount as may be allocated to me/us subject to the terms of this Red Herring Prospectus.
Insurance Companies		
Investment/Unit Trusts		
Market Makers		
Staff Schemes		
Trustees/Custodians		
Resident Corporate Investors		
Non-Resident Investors		
Hedge Funds		

PARTICIPATION DETAILS (The Participation Amount(s) and the Bid Rental Rate(s) being offered must be indicated in the boxes below).

Participants have the option to make a maximum of three orders on the Commitment Form. Each option shall be regarded as a separate application and will be not be considered as multiple applications. All orders must be for a minimum amount of RM10,000,000 and multiples of RM1,000,000 thereafter

ORDER 1

PARTICIPATION AMOUNT (MINIMUM AMOUNT OF RM10 MILLION AND IN MULTIPLES OF RM1 MILLION THEREAFTER)		BID RENTAL RATE
IN FIGURES	RM	
IN WORDS		

ORDER 2

PARTICIPATION AMOUNT (MINIMUM AMOUNT OF RM10 MILLION AND IN MULTIPLES OF RM1 MILLION THEREAFTER)		BID RENTAL RATE
IN FIGURES	RM	
IN WORDS		

ORDER 3

PARTICIPATION AMOUNT (MINIMUM AMOUNT OF RM10 MILLION AND IN MULTIPLES OF RM1 MILLION THEREAFTER)		BID RENTAL RATE
IN FIGURES	RM	
IN WORDS		

