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## **SUKUK LISTING RULES**

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**Approved by the Securities and Exchange Commission, Nigeria on  
April 18, 2017**

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## DEFINITIONS

The following terms and expressions shall, unless the context otherwise requires, have the following meanings in these Sukuk Listing Rules:

- “AAOIFI”** Accounting and Auditing Organisation for Islamic Financial Institution. AAOIFI is the global standards setting organisation for Islamic finance.
- “Adviser”** means a shari’ah adviser or advisory committee of experts, registered or recognised by the Commission (defined below), who conducts reviews, issues rulings and provides guidance on the shari’ah applicability of Sukuk transactions. This includes scholars with knowledge of shari’ah and finance, non-interest financial institution recognised or registered to perform such function either directly or through their advisory committee of experts.
- “Auction”** means a process involving the offer and sale of the Sukuk to the public through competitive bidding by prospective investors. This method is also referred to as public offering.
- “Board”** means the Board of Directors of FMDQ.
- “CAMA”** means the Companies and Allied Matters Act CAP C20 LFN 2004 as may be amended or supplemented from time to time.
- “CBN”** means Central Bank of Nigeria.
- “Central Securities Depository (CSD)”** means a specialist financial institution holding Sukuk (defined below) either in certificated or dematerialised form so that ownership can be easily transferred through a book entry rather than the transfer of physical certificate. For example, the Central Securities Clearing System PLC (CSCS).
- “Commission or SEC”** means the Securities and Exchange Commission, Nigeria.
- “Committee”** means Board Listings, Markets and Technology Committee, the FMDQ Board Committee responsible for overseeing the registration, listings, and quotations franchise of the OTC Exchange (defined below).
- “Company”** means a company as defined by CAMA.
- “Compliance Report”** means a quarterly report prepared and submitted by the Issuer (defined below) through its Sponsor (defined below), confirming compliance with the post-Listing requirements as provided in these Sukuk Listing Rules and other

	disclosure standards as may be prescribed by FMDQ from time to time.
<b>“Custodian”</b>	means a financial institution in charge of holding assets or securities for safekeeping; arranging settlement of any purchases and sales and deliveries in/out of such securities, and providing information on the securities and their Issuers.
<b>“Dealing Member”</b>	means a member of FMDQ that is licenced to make market in tradable Sukuk through any of the FMDQ-advised trading systems.
<b>“Dematerialisation”</b>	means the process by which Sukuk are converted into electronic form.
<b>“Dhaman”</b>	see “Kafalah (Guarantee)” definition below.
<b>“Director”</b>	means a director as defined by CAMA.
<b>“Eligible Individual Investor”</b>	means an individual investor who meets the qualifying criteria prescribed by FMDQ.
<b>“FMDQ or the OTC Exchange”</b>	means FMDQ OTC Securities Exchange.
<b>“FMDQ OTC GOLD Award”</b>	means a recognition of exceptional performance on the FMDQ platform, exemplary compliance with FMDQ Rules as well as contribution to the development of the Nigerian OTC market.
<b>“FMDQ Rules”</b>	means extant rules, guidelines, membership agreements, bulletins and such other regulation as may be made by FMDQ from time to time.
<b>“Fixed Income Specialist”</b>	means, with respect to Sukuk not listed under a Memorandum Listing, a Dealing Member of FMDQ who is committed to making firm bid quotes at which it is prepared to buy Sukuk that are listed/quoted on the OTC Exchange. The Fixed Income Specialist may also make offer quotes or give indicative quotes on the specific Sukuk.
<b>“Foreign Issuer”</b>	means a foreign entity seeking access to the capital market through the issuance of Sukuk. To qualify for the Listing of its Sukuk, such entity shall meet the requirements prescribed in these Rules and the Commission’s regulation on cross-border securities transactions.
<b>“Ijarah (Leasing)”</b>	means a contract whereby a lessor (owner) leases out an asset to a lessee at an agreed rental for a pre-determined period. The ownership of the leased asset shall always remain with the lessor, unless otherwise stated under the

terms of the relevant lease contract.

- “Ijtihad”** refers to reasoning by qualified scholars based on rulings on shari’ah sources.
- “Istisna (Purchase Order)”** means a purchase order contract where a buyer requires a seller or a contractor to deliver, construct or manufacture the asset to be completed in the future according to the specifications given in the sale and purchase contract. The payment term can be as agreed by both parties in the contract.
- “ISA or the Act”** means the Investments and Securities Act 2007 (as may be amended and supplemented).
- “ISIN”** means International Securities Identification Number.
- “Issuer”** means an entity seeking access to the capital market through the issuance of Sukuk. To qualify for the Listing of its Sukuk, such entity shall meet the requirements prescribed in the Commission’s Rules and Regulation.
- “Kafalah (Guarantee)”** means a contract of guarantee whereby a guarantor underwrites any claim and obligation that should be fulfilled by an owner of the asset. This concept is also applicable to a guarantee provided on a debt transaction in the event a debtor fails to fulfill his debt obligation.
- “Listing”** means admission of publicly offered and privately placed Sukuk to the FMDQ Quotations List. Sukuk registered and listed on FMDQ automatically qualify for quotation.
- “Market Maker”** means any Fixed Income Specialist permitted to act as a dealer, any dealer acting in the capacity of block positioner, and any dealer who with respect to a security, holds himself out (by entering quotations in an inter-dealer communications system or otherwise) as being willing to buy and sell such security for his own account on a regular or continuous basis.
- “Member”** means a duly-licenced member of FMDQ OTC Securities Exchange.
- “Memorandum Listing”** means admission of Sukuk to the FMDQ Platform for the purpose of providing visibility, transparency and increased public profile for existing Sukuks which are not available for trading on the OTC Exchange.
- “Mudharabah (Profit Sharing)”** means a contract made between two parties to enter into a business venture. The parties consist of the rabb al-mal (capital provider) who shall contribute capital to finance the venture and the mudharib (entrepreneur) who will manage the venture. If the venture is profitable, the return will be distributed

based on a pre-agreed ratio. In the event of a business loss, the loss shall be borne solely by the provider of the capital.

**“Murabahah  
(Cost-Plus Sale)”**

means a contract that refers to the sale and purchase of assets whereby the cost and return margin (mark-up) are made known and deferred.

**“Musharakah  
(Profit and Loss Sharing)”**

means partnership contract between two or more parties to finance a business venture whereby all parties contribute capital either in the form of cash or in kind for the venture. Any profit derived from the venture will be distributed based on a pre-agreed profit sharing ratio, but a loss will be shared on the basis of capital contribution.

**“Offer Documents”**

means Prospectus (defined below) for the Issue of the Sukuk, including any other documents containing relevant information to help an investor make an investment decision. Such documents may include pricing supplement, programme memorandum or an equivalent document.

**“Originator”**

means a parent company, Federal Government of Nigeria (or its agency), Subnational body, Supranational corporation or such other legal entity which established an SPV for the purpose of issuing Sukuk and may act as an obligor in the Sukuk.

**“Platform”**

means the FMDQ-organised market place for registration, listing, quotation, order execution, trade reporting, *inter alia*.

**“Private Placement”**

means the issue of securities by public company to select persons.

**“Programme”**

means the method of issuance of Sukuk that allows for multiple Issues covered by a standardised documentation framework.

**“Prospectus”**

means any written or electronic information, notice, advertisement or other forms of invitation offering to the public for subscription or purchase, any shares, debentures or other approved and recognised securities of a company and other issues or scheme.

**“Qualified Institutional  
Investor (QII)”**

includes banks, fund managers, pension fund administrators, insurance companies, investment/unit trusts, multilateral and bilateral institutions, registered or recognised private equity funds, registered or recognised hedge funds, market makers, staff schemes, trustees/custodians, stockbroking firms

	and any other purchaser of securities that is financially sophisticated as may be determined by FMDQ from time to time.
<b>“Quotations List”</b>	contains information (market/model prices and yields, and the values traded) on OTC products listed on FMDQ, including Sukuk.
<b>“Red Herring”</b>	means the preliminary Prospectus filed with the OTC Exchange for the issue of Sukuk to Qualified Investors. A Red Herring does not constitute an offer for sale or an invitation to treat.
<b>“Registration Member (Listings)”</b>	means a member sponsoring an Issue of Sukuk for Listing on FMDQ. (See definition of <b>Sponsor</b> below).
<b>“Reverse Enquiry”</b>	means a process whereby the investor(s) approach(es) the Issuer to sell the Sukuk on the basis of mutually agreed terms and conditions.
<b>“Rules”</b>	means these Sukuk Listing Rules.
<b>“SEC Rules”</b>	means the Rules and Regulations of the Commission (as may be amended) made pursuant to the Act
<b>“Shelf Registration”</b>	means the filing undertaken by an Issuer intending to access the market in the near future. It permits an Issuer to disclose certain information in a core disclosure document that is updated on a regular basis through supplemental documents.
<b>“SPV”</b>	means Special Purpose Vehicle.
<b>“Sponsor”</b>	means an issuing house appointed by the Issuer in connection with the Listing of the Issue on the OTC Exchange. The Sponsor must be a duly licenced FMDQ Registration Member.
<b>“Sukuk” or the “Issue”</b>	means investment certificates or notes of equal value which evidences undivided interest/ownership of tangible assets, usufructs and services or investment in the assets of particular projects or special investment activity using shari’ah principles and concepts approved by the SEC.
<b>“Sukuk Ijarah”</b>	means investment certificates or notes of equal value which evidences undivided ownership on the leased asset and/or usufruct and/or services and rights to the rental receivables from the said leased asset and/or usufruct and/or services.
<b>“Sukuk Istisna”</b>	means investment certificates or notes of equal value which evidences undivided ownership by the certificate holders in the Istisna transaction.

- “Sukuk Mudharabah”** means investment certificates or notes of equal value which evidences undivided ownership by the certificate holders in the mudharabah venture.
- “Sukuk Musharakah”** means investment certificates or notes of equal value which evidences undivided ownership by the certificate holders in the musharakah venture (partnership).
- “Syndication”** means a process involving the offer and sale of the Sukuk to a group of intermediaries (such as the lead issuing house or Underwriter) for onward sale to investors.
- “Transaction Documents”** means agreements and undertakings that are specific to a type of Sukuk structure, including but not limited to Ijarah agreement, Musharakah agreement, Mudharabah agreement, Istisna agreement, agency agreement, purchase and sale undertakings, cost settlement undertaking.
- “Trust Deed”** means the agreement drawn up between the Trustees (defined below) and the Issuer for the administration of the Issue for the benefit of investors. This includes supplemental trust deed.
- “Trustee”** means a person or firm that holds or administers Sukuk for the benefit of investors in the Sukuk.
- “Underwriting Agreement”** means an agreement between an underwriter and an Issuer through which the former undertakes to buy all or part of a new Issue of Sukuk to be offered for sale with a view to a resale and not as a form of investment. There are two basic types of underwriting:
1. Firm underwriting: Where the Issuer sells the entire Issue to the underwriter, who then attempts to resell the Sukuk. The Issuer receives the agreed amount and all the risks associated with selling the Sukuk are transferred to the underwriters; and
  2. Standby underwriting: Where the underwriter is legally bound to take and pay up to the underwritten percentage only if the Issue is not fully subscribed.



## **1. GENERAL LISTING REQUIREMENTS**

- 1.1. Sukuk sought to be listed on the OTC Exchange shall be registered with the Commission.
- 1.2. Applications for the Listing of Sukuk on the OTC Exchange shall only be entertained if sponsored by an FMDQ-licenced Registration Member (Listings).
- 1.3. Issuers of Sukuk sought to be listed must, in addition to complying with these Rules, comply with the relevant provisions of the Act and the SEC Rules and Regulations made pursuant to the Act, FMDQ Rules, AAOIFI standards and such other relevant and applicable laws, regulation, principles, and standards.
- 1.4. All shari'ah principles and concepts applied to the issuance and Listing of Sukuk on the OTC Exchange shall be consistent with the general shari'ah rulings, principles and standards as approved by AAOIFI or any other standard setter recognised by the Commission.
- 1.5. Issuers may be required to appoint a Market Maker to support the liquidity of the Sukuk in the secondary market (unless prohibited under Shari'ah law or by the Commission).
- 1.6. The OTC Exchange shall exercise discretion over the admission and continued Listing of Sukuk on its Quotations List and may approve or reject the applications for Listing, in accordance with the provisions of these Rules.
- 1.7. In addition to the Listing requirements set out in these Rules, the Issuer shall ensure strict compliance with the post-Listing requirements in order for its Sukuk to remain on the Quotations List.
- 1.8. Where the Sukuk is issued under a Programme, the Issuer may list multiple series or tranches with different terms on the OTC Exchange. Each series or tranche shall be deemed a separate Issue for the purposes of these Rules.
- 1.9. All applications shall be submitted along with the relevant fees as provided in the FMDQ-advised fees and dues framework.
- 1.10. The OTC Exchange has the discretion to make additional requests for information from the Issuers and Sponsors at any point during or after the Listing process.
- 1.11. The OTC Exchange may defer any of the requirements of this part of the Rules; with the prior approval of the Commission; provided the Issuer or Sponsor undertakes to regularise its application within the FMDQ-prescribed period after the approval of the Sukuk for Listing on the OTC Exchange or waive the provisions of these Rules where the Issuer/Sponsor provides concrete justification to satisfy FMDQ that such provisions are not applicable or should be exempt.
- 1.12. Upon the approval of the Listing of the Issue, the Issue shall be registered and lodged with a CSD recognised by FMDQ. Upon admission, an ISIN code will be assigned by the CSD in respect of the Sukuk.
- 1.13. Where the Issuer is an SPV, the Originator must comply with the Listing and post-Listing requirements imposed on the Issuer under these Rules.
- 1.14. These Rules may be subject to review or amendment from time to time.

## **2. ELIGIBILITY CRITERIA FOR THE ISSUER**

- 2.1. Issuers of Sukuk sought to be listed include the following:
  - (i) A Company duly incorporated under the laws of the Federal Republic of Nigeria as an SPV

for the purpose of Sukuk issuance.

- (ii) Company duly incorporated under the laws of the Federal Republic of Nigeria or such other corporate entity, and shall be in conformity with its shareholders' agreement or its constitutional documents (such as its Memorandum and Articles of Association) with regards to capacity to issue debt, borrowing limits, *inter alia*.
- (iii) Federal Government of Nigeria or its agencies.
- (iv) Subnational body (including but not limited to State and Local Governments and their Agencies) empowered by law to issue Sukuk/debt.
- (v) Supranational corporation authorised through its constitutional documents or establishing charter to issue debt.
- (vi) Foreign Issuer who meets the requirements set by the Committee and the Commission.
- (vii) Such other category of issuer as may be approved by the Commission

The provisions of this section of the Rules are subject to any limitations as may be prescribed by the Commission with respect to the capacity of persons eligible to issue Sukuk.

- 2.2. The Issuer/Issue shall have a valid and subsisting credit rating of a minimum of investment grade obtained from a credit rating agency registered or recognised by the Commission.
- 2.3. Where the Issuer is a Company, it shall have shareholders' funds (unimpaired by losses) of not less than ₦3,000,000,000.00 (three billion naira) or equivalent as evidenced by its latest audited accounts (not being later than nine (9) months from the last financial year end) or in the case of an SPV, the latest audited statement of accounts. The shareholders' funds shall be maintained at or above that level for such period as the Issue remains outstanding.
- 2.4. The Issuer or originator where applicable, must have been in operation not less than three (3) years from the date of application for Listing of the Issue. However, where it is an SPV, this Rule shall not apply.
- 2.5. The Issuer shall not exceed the borrowing limits (if any) stipulated in its shareholders' agreement or its constitutional documents.
- 2.6. Where the obligations of the Issuer with respect to the Issue are guaranteed by a corporate entity, the guarantor shall meet the criteria stipulated in Rules 2.3 to 2.5 above. The guarantor shall provide a full guarantee of all the obligations of the Issuer under the Issue for the entire period the Issue remains outstanding.
- 2.7. Where the obligations of the Issuer with respect to the Issue are guaranteed by the Federal Government of Nigeria, Federal Government agencies, Subnational body or other bodies recognised by the Commission, the Issuer may be exempt from the criteria stipulated in Rules 2.3 to 2.5 above. Provided that the guarantee is full guarantee of the obligations of the Issuer for the entire period the Issue remains outstanding.
- 2.8. In the case of a Foreign Issuer, the following additional requirements shall apply:
  - (i) Compliance with the Commission's regulation on cross-border securities transactions.
  - (ii) Appointment of an FMDQ-licenced Registration Member to act as an agent or representative in Nigeria and be responsible for communication with the OTC Exchange, on behalf of the Issuer.
  - (iii) Maintenance of a paying agent or its equivalent in Nigeria.
  - (iv) All information or documents presented, submitted, disclosed, or announced by a Foreign Issuer shall be in English Language.

- 2.9. The Issuer shall appoint an Adviser to carry out the following functions:
- (i) Advising on all aspects of the Sukuk including documentation and structuring.
  - (ii) Issuing a shari'ah certification which outlines the basis and rationale of the structure and mechanism of the Sukuk issuance, the applicable shari'ah principles used for the Sukuk issuance and relevant matters relating to Sukuk.
  - (iii) Issuing a shari'ah recertification on an annual basis for the outstanding period of the Sukuk.
  - (iv) Ensuring that the applicable shari'ah principles and any relevant resolutions and rulings endorsed are complied with.
  - (v) Applying Ijtihad to ensure all aspects relating to Sukuk issuance are in compliance with shari'ah principles.
  - (vi) Such other functions as may be stipulated by the Commission from time to time.
- 2.10. Further to Rule 2.9 above, the Adviser appointed by the Issuer shall meet the following criteria:
- (i) Never been convicted for any offence arising from criminal proceedings.
  - (ii) Never been declared bankrupt.
  - (iii) Possesses the necessary qualifications and expertise, particularly on Islamic jurisprudence and is experienced in Islamic finance and capital market related matters.
- 2.11. Such other criteria as may be prescribed by FMDQ from time to time.

### **3. ELIGIBILITY CRITERIA FOR THE ISSUE**

- 3.1. Methods and Structures of Sukuk Issuances
- (i) To qualify for Listing, the Sukuk shall be issued through any of the following methods:
    - (a) Auction.
    - (b) Private Placement.
    - (c) Syndication.
    - (d) Reverse Enquiry.
    - (e) Such other method as may be permitted by FMDQ in compliance with these Rules and the Commission's Rules and Regulations.
  - (ii) The following Sukuk structures shall qualify for Listing on the OTC Exchange:
    - (a) Sukuk Ijarah.
    - (b) Sukuk Musharakah.
    - (c) Sukuk Mudharabah
    - (d) Sukuk Murabahah (Memorandum Listing)
    - (e) Such other Sukuk structures as may be approved by the Commission
- 3.2. Memorandum Listing
- (i) All Sukuk expressly prohibited by Shari'ah law and in accordance with the AAOIFI Standards from being traded would automatically qualify for Listing under the Memorandum Listing.
  - (ii) Further to section 3.2 (i) above, all Sukuk listed under the Memorandum Listing shall be admitted to the FMDQ Platform and shall be declared non-tradable.
  - (iii) All Sukuk listed under the Memorandum Listing shall meet such standards as may be prescribed by the OTC Exchange from time to time.

3.3. Features and Mode of Issue

- (i) The Sukuk may be issued and held in dematerialised form with a CSD recognised by FMDQ and registered/recognised by the Commission.
- (ii) All Sukuk not listed under the Memorandum Listing shall be tradable in the secondary market.
- (iii) As prescribed under these Rules and the Commission's Rules and Regulations, a Sukuk may qualify as an eligible investment in investment trusts and collective investment schemes such as mutual funds or exchange traded funds.

3.4. Minimum Size of the Issue

- (i) The minimum size of the single Issue shall be ₦1,000,000,000.00 (one billion naira).
- (ii) Where the Sukuk is issued under a Programme through a Shelf Registration, the minimum size of the Programme shall not be less than ₦5,000,000,000.00 (five billion naira).

3.5. Rating Requirement for the Issue

- (i) The Issue shall have a valid and subsisting rating obtained from a credit rating agency registered or recognised by the Commission.
- (ii) The Issue shall be rated no lower than investment grade.

3.6. Underwriting and Liquidity of the Issue

- (i) Where the Issuer decides to execute an Underwriting Agreement in respect of the Issue, such agreement shall include a provision stating that the underwriter or securities dealing affiliate of the underwriter shall act as a market maker for the Issue in order to enhance the liquidity of the Sukuk in the secondary market (not applicable where the Issue is sought to be listed/is listed under the Memorandum Listing).
- (ii) The draft Underwriting Agreement, which shall be submitted along with the Offer Documents, shall be subject to review and approval by the Committee and the Commission.
- (iii) The Issuer shall also be required to appoint one (1) or more Market Makers (Fixed Income Specialists) to support the liquidity of its Issue in the secondary market (not applicable where the Issue is sought to be listed/is listed under the Memorandum Listing).

3.7. Credit Enhancement of the Issue

- (i) The Issue may be guaranteed by any of the following entities:
  - (a) Federal Government of Nigeria or Federal Government agencies
  - (b) Subnational bodies
  - (c) CBN
  - (d) CBN-licenced deposit money banks
  - (e) Supranational organisations
  - (f) Development finance institutions
  - (g) Credit guarantee corporations
  - (h) Such other category of guarantor as may be recognised by FMDQ and the Commission.
- (ii) Where the Issue is guaranteed by a corporate entity, such entity shall have a valid and subsisting credit rating of a minimum of investment grade obtained from a credit rating agency registered or recognised by the Commission.

#### 4. DOCUMENTATION AND DISCLOSURE REQUIREMENTS

- 4.1. The Issuer, through its Sponsor, shall file an application in the FMDQ-advised Application Form along with supporting documentation and disclosures as outlined in Rules 4.2 and 4.3 below.

*Note: Electronic copies of the documentation and disclosure requirements outlined in Rules 4.2 and 4.3 below shall suffice unless hard copies are expressly requested by FMDQ. Also, note that where the requirements stated below are non-exhaustive and FMDQ has the discretion to require additional documents/disclosures.*

- 4.2. The following documentation and disclosure requirements shall be provided in respect of the Issuer.

- (i) Corporate Issuers:
  - (a) Certified True Copy (CTC) of the Memorandum and Articles of Association (including amendments).
  - (b) CTC of Certificate of Incorporation.
  - (c) Form CAC 2 – (Statement of Share Capital and Return of Allotment).
  - (d) Form CAC 7 – (Particulars of Directors).
  - (e) Corporate profile of the Issuer.
- (ii) Audited annual reports and accounts covering the last three (3) years, the most recent not exceeding nine (9) months from the date of the submission of the application for the Listing of the Issue or in the case of an SPV, the latest audited statement of accounts.
- (iii) Most recent unaudited interim reports and accounts.
- (iv) Valid and subsisting credit rating report of the Issuer/Issue obtained from a credit rating agency registered or recognised by the Commission.
- (v) Any documentation that provides information and details of any charges on the Issuer’s cash flows.
- (vi) Any documentation that provides details of the Issuer’s current debt profile by type, purpose, and maturity dates.
- (vii) Comprehensive schedule of all material contracts executed by the Issuer including all loan facility agreements.
- (viii) Final reporting accountant’s report on the Issuer’s financial projections.
- (ix) Details of any litigations/claims currently involving the Issuer.
- (x) Evidence that the Issuer is empowered to issue the Sukuk and that the particular Issue does not exceed the limit of the Issuer’s borrowing powers.
- (xi) Declaration of Compliance by the Issuer in the form set out in [Appendix I](#) of these Rules.
- (xii) Information regarding the advisory council of experts that approved the Sukuk. Details of its members, their names and expertise must be provided.
- (xiii) Letter of Indemnity from the Issuer in the form set out in [Appendix II](#) of these Rules.
- (xiv) Such other documentation/disclosure as may be required by FMDQ and the Commission.

- 4.3. The following documentation and disclosure requirements shall be provided in respect of the Issue.

- (i) Resolution of the board of directors/shareholders or other relevant authority of the Issuer

- authorising the Issue/Programme and the approved amount.
- (ii) A letter of no-objection to the Issue of the Sukuk from the Commission (where applicable).
  - (iii) Prospectus containing all relevant information in respect of the Issue as provided in [Appendix III](#): Contents of the Offer Documents.
  - (iv) Transaction Documents.
  - (v) Vending agreement.
  - (vi) Shari'ah compliance certificate.
  - (vii) Trust Deed (See [Appendix IV](#)).
  - (viii) Underwriting Agreement (where applicable).
  - (ix) Sponsor's Declaration on the Issue (See [Appendix V](#))
  - (x) CTC of every letter, report, opinions, balance sheet, valuation, agreements and other contracts or other document any part of which is extracted or referred to in the Offer Documents.
  - (xi) Notarised letters of consent of all parties named in the Offer Documents. Where the consent is given through a power of attorney, the power of attorney shall be executed and stamped.
  - (xii) Valid and subsisting credit rating of the Issue obtained from a credit rating agency registered or recognised by the Commission.
  - (xiii) Details of any credit enhancement to support the Issue in the form of Deed of Guarantee or other equivalent document. Provided that where the Issue is guaranteed by a corporate entity, the following supporting documentation shall be required by the OTC Exchange:
    - (a) Latest audited accounts of the guarantor not being more than nine (9) month from the date of the application for the Listing of the Issue.
    - (b) Latest interim unaudited financial statements of the guarantor.
    - (c) Valid and subsisting credit rating report of the guarantor obtained from a credit rating agency registered or recognised by the Commission.
  - (xiv) Evidence of payment of all relevant fees and dues as advised by FMDQ.
  - (xv) Such other documentation/disclosure as may be required by FMDQ.

## 5. POST-LISTING REQUIREMENTS

- 5.1. The Issuer shall execute a written undertaking to comply with the post-Listing requirements of FMDQ in the form set out in [Appendix VI](#) of these Rules.
- 5.2. The Issuer shall immediately notify the OTC Exchange of any material information with respect to the Issuer and/or the Issue for the entire period the Sukuk remains on the Quotations List.
- 5.3. The following continuous disclosures shall be made in respect of the Issue as and when required by FMDQ:
  - (i) Any issuance or proposed issuance of a new series or tranche of the Sukuk under the SEC-approved Programme.
  - (ii) Any change in the terms of issue/Programme of the Sukuk or its Offer Documents.
  - (iii) Any redemption or cancellation of the Sukuk.
  - (iv) Any amendment to the Trust Deed, where applicable.
  - (v) Any appointment or replacement of Trustee or paying agent, where applicable.
  - (vi) Any change in the parties to the transaction including the Adviser appointed by the Issuer

as required under the Commission's Rules and Regulations.

- (vii) Any occurrence of an event of default under the Trust Deed or Offer Documents.
  - (viii) any credit rating of its Sukuk, including a summary of the rating report relevant to the Sukuk published by a credit rating agency, where available.
  - (ix) Any change (upgrade or downgrade) in the rating of the Issuer and/or the Issue for the period the obligations of the Issuer with respect to the Sukuk remain outstanding.
  - (x) Any intention to fix a books' closing date and its reason, stating the books' closing date, which shall be at least ten (10) business days after the date of announcement of the books' closing date to the OTC Exchange.
  - (xi) Any event which requires an immediate notification to its trustee pursuant to the Trust Deed.
  - (xii) Any decision to make an early redemption or exercise a call option on the Sukuk.
  - (xiii) Any regulatory action taken against the Issuer, either by the Commission, a registered or recognised securities exchange/self-regulatory organisation or such other relevant regulatory authority.
  - (xiv) Any meeting of Sukuk holders, at least fourteen (14) days before such meeting is held, and in the case of a meeting convened to pass a special resolution, at least twenty-one (21) days before such meeting is held. The announcement shall include the date of the record of depositors which determines whether a depositor shall be regarded as a Sukuk holder who is entitled to attend, speak, and vote at the meeting of the Sukuk holders.
- 5.4. Where the Issue is listed on a securities exchange, the Issuer shall simultaneously notify FMDQ of any information provided to or documents filed with the relevant securities exchange with respect to the Issue.
- 5.5. Failure of the Issuer to continuously meet with the provisions of these Rules will be deemed as an infraction under the post-Listing compliance framework and may lead to a delisting of such Sukuk from the Quotations List.
- 5.6. Rating reports in respect of the Issuer and the Issue shall be provided by the Sponsor on an annual basis. For an Issue to remain on the Quotations List of FMDQ, the credit ratings of both the Issuer and the Issue shall not be lower than investment grade for the entire tenor of the Sukuk.
- 5.7. The Issuer shall notify the OTC Exchange immediately after approval by its board of directors or management of the following information and publish the same in two (2) national daily newspapers and on its website:
- (i) Any decision regarding non-compliance with any payment due on the Issue.
  - (ii) Any proposed new issue of Sukuk by the Issuer.
  - (iii) Any decision regarding the acceleration of any payment on a Bond or Sukuk.
  - (iv) Any purchase, redemption, or cancellation by the Issuer of its Sukuk. The notification must also detail the procedures and the amounts of Sukuk or Bonds which remain outstanding following the action.
- 5.8. The Issuer submit its periodic financial reports and accounts in the following manner:
- (i) The quarterly accounts must be provided within a period not exceeding thirty (30) days from the end of the relevant quarter.

- (ii) The semi-annual report audited within a period not exceeding forty-five (45) days from the end of relevant half year
- (iii) The annual audited accounts within a period not exceeding ninety (90) days from the end of the financial year of the issuer. In those instances where these Sukuk or Bonds are guaranteed by another entity, the guarantor entity shall provide to SEC and the Market copies of their periodical financial reports, except if the guarantor is a government entity.

5.9. The following additional obligations shall apply to Foreign Issuers:

- (i) The Foreign Issuer shall simultaneously notify FMDQ of all information required to be publicly disclosed to its domestic regulatory authorities and other securities exchanges, if applicable.
- (ii) Where the Issue is listed on a foreign securities exchange, the Foreign Issuer shall simultaneously notify FMDQ of any information provided to or documents filed with a relevant foreign securities exchange with respect to the Issue.
- (iii) In the event of a conflict between the provisions of these Rules and the rules of a securities exchange where the Foreign Issuer and/or the Issue is listed, the Foreign Issuer must immediately notify the OTC Exchange of the conflict to allow the OTC Exchange to take any decisions or actions as it deems appropriate.
- (iv) The Foreign Issuer shall immediately notify the OTC Exchange of changes in any law, legislation, or regulation in its home country, which may affect trading or impact the price of the Sukuk, including any changes or amendments to tax legislation.
- (v) The Foreign Issuer shall notify the OTC Exchange when its Sukuk is delisted or suspended from the relevant foreign securities exchange or where the Foreign Issuer is the subject of disciplinary action by the foreign securities exchange or any other relevant regulatory body.
- (vi) The Foreign Issuer shall immediately notify FMDQ of any fundamental changes in the listing rules of the relevant foreign securities exchange.
- (vii) The Foreign Issuer shall provide the OTC Exchange with a copy of its annual financial statements and audited financial statements filed with the Foreign Issuer's regulatory body and every circular or notice sent to the holders of its listed Sukuk immediately the said circulars or notices are issued.
- (viii) The Foreign Issuer shall notify the OTC Exchange of any changes to the information contained in these Rules which relate to the Issuer or the guarantor if the issuance is guaranteed.
- (ix) The Issuer shall present an Annual Certification by a Sharia Adviser.

## **6. DUTIES AND OBLIGATIONS OF THE ISSUER**

- 6.1. The Issuer shall be bound by the terms and conditions contained in the FMDQ-approved Offer Documents.
- 6.2. Prior to submission of the Offer Documents for approval by FMDQ, the Issuer shall give all investors the opportunity to raise questions about the terms and conditions of the Issue, and to obtain any additional facts necessary to verify the information provided by the Issuer.



- 6.3. The Issuer shall provide all investors in the Sukuk with the same information which shall be disclosed in the Offer Documents.
- 6.4. The Issuer shall take steps to ensure that it does not default on payment of principal and return on the Sukuk as and when due to investors.
- 6.5. The Issuer shall treat the investors in the Sukuk in a fair and equitable manner and in accordance with the terms and conditions of its Offer Documents and other Rules and guidelines as may be prescribed by FMDQ and the Commission from time to time.
- 6.6. The Issuer shall ensure that the amount raised through the Issue is utilised for the purpose (purposes) stated in the Offer Documents.
- 6.7. The Issuer shall ensure that it obtains and submits to FMDQ, the annual rating reports of the Issuer and the Issue.
- 6.8. The Issuer shall ensure that it obtains and submits to FMDQ, the annual shari'ah recertification of the Issue from the Adviser within one (1) month of the expiration of the shari'ah certification for the preceding year.
- 6.9. The Issuer must, at least one (1) month before the maturity date, announce the maturity date of each issuance of Sukuk.
- 6.10. The Issuer, upon the approval of the Listing shall pay all applicable annual Listing/Quotation fees as provided in the FMDQ fees and dues framework.

## **7. DUTIES AND OBLIGATIONS OF THE SPONSOR**

- 7.1. The Sponsor shall ensure that the applicant issuer is guided and advised as to the application of these Rules.
- 7.2. The Sponsor shall manage the submission of all documentation and disclosures to the OTC Exchange.
- 7.3. The Sponsor shall verify and confirm that the disclosures made by the Issuer are true, fair, and adequate and ensure that the Issuer is in compliance with these Rules and such other regulation as may be prescribed by FMDQ and other relevant regulatory authorities.
- 7.4. The Sponsor shall ensure that FMDQ is notified if any circumstances or events occur which would affect the contents of the Offer Documents making such documents include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein accurate.
- 7.5. The Sponsor shall use all reasonable endeavours to procure revised or supplementary documentation which will correct any untrue statement or include such omitted fact referred to in Rule 7.4 above.
- 7.6. The Sponsor shall file all updated or supplementary Offer Documents with respect to each series/tranche, containing details of the series/tranche and material changes, if any, in the information provided in the Offer Documents of the registered Programmes.
- 7.7. The Sponsor shall ensure that the Issuer meets all the Listing and post-Listing compliance requirements as may be provided in these Rules (as may be amended from time to time).
- 7.8. The Sponsor shall ensure that the Issuer completes the quarterly compliance report and submit same to FMDQ as and when due.
- 7.9. The Sponsor shall conduct adequate due diligence in respect of assignments undertaken by it in respect of offer and distribution of the Issue to investors.

- 7.10. The Sponsor shall discharge its responsibilities with due care and skill.
- 7.11. The Sponsor advise the OTC Exchange immediately it becomes aware or has reason to suspect the Issuer to be in breach of these Rules.
- 7.12. Comply with the requirements of these Rules and all other relevant FMDQ Rules relating to its activities as the Sponsor to an Issue on the OTC Exchange.
- 7.13. The Sponsor shall within two (2) business days of settlement, submit an allotment report providing a summary of the various groups of investors in the Sukuk. A sample of the allotment report is provided in [Appendix VII](#) of these Rules.
- 7.14. The Sponsor shall file compliance reports on a quarterly basis with FMDQ as prepared by the Issuer (See [Appendix VIII](#)).
- 7.15. The Sponsor shall provide such other information as may be required by FMDQ throughout the tenor of the Issue.
- 7.16. The Sponsor shall be bound by these Rules and all other relevant FMDQ Rules.

## **8. ENFORCEMENT OF THE RULES**

- 8.1. Where FMDQ considers an Issuer or other relevant party to the Issue to have committed an infraction under these Rules it may take one or more of the following actions:
  - (i) Report the infraction to the Commission.
  - (ii) File a report to the advisory council of experts.
  - (iii) Impose a fine.
  - (iv) Suspend the Issue from the Quotations List.
  - (v) Delist the Issue from the Quotations List.
  - (vi) Public Censure.
  - (vii) Such other action as FMDQ may deem fit to take after due consideration of the infraction.
- 8.2. Violation of the provisions of these Rules may also result in criminal or civil liability in accordance with all relevant Nigerian laws and regulation.
- 8.3. Power to delist an Issue from the Quotations List:
  - (i) Listing is granted subject to certain considerations and conditions as provided in these Rules (subject to amendment from time to time).
  - (ii) The OTC Exchange may at any time after prior notification to the Commission, delist any Issue from the Quotations List in such circumstances and subject to such conditions as it deems fit. Such conditions include but are not limited to the following:
    - (a) Upon the occurrence of any of the events which the Trustee has declared the Sukuk to be immediately due and repayable pursuant to the Trust Deed;
    - (b) Upon the maturity or expiry of the Sukuk;
    - (c) Upon full redemption of the Sukuk; or
    - (d) The Issuer fails to comply with these Rules and all relevant FMDQ Rules.
    - (e) The OTC Exchange considers that the Issuer does not have satisfactory level of operations or sufficient assets to warrant the continued Listing of its Sukuk on the OTC Exchange.

- (f) The Issuer fails to meet corporate governance standards as may be prescribed by the OTC Exchange and other relevant regulatory authorities.
- (g) The OTC Exchange considers that the Issue is no longer suitable for Listing and;
- (h) Such other circumstances as the OTC Exchange may deem fit to delist the Issue from the Quotations List.

8.4. Power to suspend an Issue from the Quotations List;

- (i) The OTC Exchange may suspend an Issue from the Quotations List at its discretion or under the following circumstances.
    - (a) Where the Issuer fails to comply with these Rules and all relevant FMDQ Rules.
    - (b) Where the Issuer fails to meet corporate governance standards as may be prescribed by the OTC Exchange and other relevant regulatory authorities.
    - (c) Where the Issuer is under investigation by a relevant regulatory authority.
    - (d) Such other circumstances as the OTC Exchange may deem fit to delist the Issue from the Quotations List.
  - (ii) The OTC Exchange may grant a request by the Issuer seeking a suspension of the Issue from the Quotation List. The approval or otherwise of the request shall be subject to the following conditions:
    - (a) The request for suspension must be in writing and signed by the authorised signatories of the Issuer.
    - (b) The request must contain the following:
      - (i) The specific reasons for the request for suspension
      - (ii) The duration of the suspension,
      - (iii) The nature of the event affecting the Issuer's activities and the current state of events with respect to the Issuer's activities in order for the OTC Exchange to assess the need for and appropriate duration of the suspension.
      - (iv) Any actions taken or proposed to be taken to mitigate the issues raised within the duration sought.
    - (c) Where the Issuer of a suspended Issue fails to take appropriate action to obtain restoration for Listing, the OTC Exchange may delist the Issue from the Quotations List after prior notification to the Commission.
- 8.5. Further to Rules 8.3 and 8.4 above, where the OTC Exchange considers the Issue no longer suitable for Listing, the Issuer/Sponsor shall be informed in writing of the decision of the FMDQ Board Listings, Markets and Technology Committee.
- 8.6. The Issuer may be given an opportunity to take remedial action and resolve any issues within a reasonable timeframe as stipulated by the FMDQ Board, Listings, Markets and Technology Committee. Failure by the Issuer/Sponsor to take such remedial action within the stipulated timeframe shall lead to a delisting of the Issue from the Quotations List upon notification to the Commission.
- 8.7. Issuers shall disclose in their financial statements any fines imposed by FMDQ with respect to a violation of these Sukuk Listing Rules.
- 8.8. Failure by the Sponsor to comply with the provisions of these Rules or such other regulation as may be prescribed by FMDQ shall incur one or more of the following penalties:

- (i) Fines.
- (ii) Non-consideration for FMDQ OTC GOLD Award.
- (iii) Suspension of the Sponsor's membership of the OTC Exchange.
- (iv) Termination of the Sponsor's membership of the OTC Exchange.
- (v) Public Censure.
- (vi) Such other penalties as FMDQ may deem fit to make upon due consideration of the breach by the Sponsor.

**NOTES**

1.	FMDQ shall review the Sukuk Listing Rules on an ongoing basis to ensure conformity with international best practices and compliance with shari'ah.
2.	FMDQ encourages all Issuers seeking Listing privileges to comply with the highest standards of corporate governance as stipulated in any law of the Federal Republic of Nigeria and imbibe corporate discipline, transparency, and accountability within the tenets of its operations.
3.	FMDQ may grant exemptions/exceptions to the application of these Rules with the prior approval of the Commission.
4.	These Rules shall be read in conjunction with all relevant and applicable laws and regulations.

## APPENDIX I: DECLARATION OF COMPLIANCE BY ISSUER

### [ISSUER LETTERHEAD]

**The Managing Director/CEO**  
**FMDQ OTC Securities Exchange**  
**1 Olosa Street**  
**Victoria Island**  
**Lagos**

### DECLARATION OF COMPLIANCE BY [NAME OF ISSUER]

We \_\_\_\_\_ and \_\_\_\_\_  
[Designation] and [Designation] respectively of [Name of Issuer] (hereinafter referred to as “the Issuer”),  
declare as follows that:

1. All documents required by any applicable law in connection with the Issue have been duly filed and that to the best of our knowledge, information, and belief the Issuer has complied with all other legal requirements in connection with the Issue.
2. There are no other facts relating to the Issuer’s application for Listing which should be disclosed to FMDQ.
3. The Board, management and other relevant authority of the Issuer collectively and individually accept full responsibility for the accuracy of the information given and confirm, having made all reasonable enquiries that to the best of our knowledge and belief there are no other facts the omission of which would make any statement in the Offer Documents misleading.
4. We agree to comply with the post-Listing compliance requirements as provided in the Rules and as may be revised from time to time.
5. We understand and acknowledge that the Listing may be subject to periodic review and acknowledge that FMDQ may require more information regarding the Issue and any supporting documents from time to time.
6. We undertake to provide and not to withhold any information which may be required to assess the quality of the Sukuk listed on the OTC Exchange including but not limited to any revision OR downgrade in the ratings of the Issuer and the Issue.
7. We undertake to submit the annual shari’ah recertification of the Issue by the Adviser.

8. We undertake to comply with all FMDQ Rules, Guidelines, Bulletins, and such other regulation that relates to the Sukuk listed on the OTC Exchange.
9. We make this declaration conscientiously believing same to be true.

**SIGNED FOR AND ON BEHALF OF [NAME OF ISSUER]:**

<b>Name</b>	_____	<b>Name</b>	_____
<b>Designation</b>	<i>Director</i>	<b>Designation</b>	<i>Director/ Secretary</i>
<b>Signature</b>	_____	<b>Signature</b>	_____
<b>Date</b>	_____	<b>Date</b>	_____

**APPENDIX II: LETTER OF INDEMNITY BY ISSUER**

**[ISSUER’S LETTERHEAD]**

**[Date]**

**The Managing Director/CEO  
 FMDQ OTC Securities Exchange  
 1 Olosa Street  
 Victoria Island  
 Lagos**

**LETTER OF INDEMNITY**

\_\_\_\_\_ **[Name of Issuer]**\_\_\_\_\_ hereby unconditionally and irrevocably undertakes, indemnifies and agrees to keep indemnified and hold harmless, FMDQ OTC Securities Exchange (FMDQ) and its officials against any action, claim, causes, suits, proceedings and demands whatsoever, which may at any time be taken and made against FMDQ and/or its officials whether directly or indirectly, that may arise by reason of or in consequences or in connection with the process of Listing of the Sukuk of \_\_\_\_\_ **[Name of Issuer]**\_\_\_\_\_ on FMDQ and/or on account of any subsequent suspension or removal of the listed Sukuk from the FMDQ Quotations List.

Yours faithfully,

**FOR [NAME OF ISSUER]:**

<b>Name</b> _____	<b>Name</b> _____
<b>Designation</b> _____	<b>Designation</b> _____
<b>Signature</b> _____	<b>Signature</b> _____
<b>Date</b> _____	<b>Date</b> _____



### APPENDIX III: CONTENTS OF THE OFFER DOCUMENT

The following provides an indicative guide to the information which FMDQ requires to be provided in the Offer Documents of Sukuk.

The front cover of the Offer Document shall state in bold, the following:

**FMDQ TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS DOCUMENT, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS DOCUMENT.**

#### A. For Federal Government of Nigeria (FGN) Issues

The Offer Documents in respect of the prospective FGN Issues shall include, the contents of the table below, *inter alia*:

S/N	Header	Content Guidelines
1.	Summary of the Programme/Issue	<p>The Offer Documents shall provide a summary of Programme/Issue with information on the following, <i>inter alia</i>:</p> <ol style="list-style-type: none"> <li>i. Issuer</li> <li>ii. Description of the Programme/Issue</li> <li>iii. Size of the Programme</li> <li>iv. Parties to the Programme/Issue</li> <li>v. Method/Mode of Issuance</li> <li>vi. Purpose of the Issue/Use of Proceeds</li> <li>vii. Currency of the Issue</li> <li>viii. Maturity Date</li> <li>ix. Tenor</li> <li>x. Issue Price</li> <li>xi. Redemption, stating whether the Issuer has the option to redeem before maturity.</li> <li>xii. Transferability (Applicable restrictions to transferability of the Sukuk (e.g. registration, number of transfers) should be disclosed. Furthermore, where the Sukuk is expressly prohibited by Shari'ah law or under the AAOIFI Standards, from being traded, the Offer Documents shall indicate that the Sukuk shall not be transferable in the secondary market). <i>See Memorandum Listing provisions of the Rules.</i></li> <li>xiii. Sinking Fund</li> <li>xiv. Authority under which the Sukuk is issued</li> <li>xv. Application Opening and Closing dates</li> <li>xvi. Return Rate: Whether floating or fixed</li> <li>xvii. Tax Considerations</li> <li>xviii. Relevant Transaction Documents</li> <li>xix. Transaction Parties</li> <li>xx. Statement on Shari'ah certification and Adviser</li> </ol>

S/N	Header	Content Guidelines
		xxi. Such other information as may be required by FMDQ during the Listing process
2.	<b>Listing Status</b>	<p>The Offer Documents shall state that an application for the Listing of the Sukuk has been made to the Committee for the admission of the Sukuk to the Quotations List of FMDQ OTC Securities Exchange.</p> <p>Where the Sukuk is not tradable in accordance with Shari’ah law and the AAOIFI Standards, the Offer Documents shall state that an application has been made for the admission of the Sukuk under the Memorandum Listing.</p>

### B. For Subnational Issues

The Offer Documents in respect of the prospective Subnational Issues shall include, the contents of the table below, *inter alia*:

S/N	Header	Content Guidelines
1.	<b>Summary of the Programme/Issue</b>	<p>The Offer Documents shall provide a summary of Programme/Issue with information on the following, <i>inter alia</i>:</p> <ul style="list-style-type: none"> <li>i. Issuer</li> <li>ii. Description of the Programme/Issue</li> <li>iii. Size of the Programme</li> <li>iv. Parties to the Programme/Issue</li> <li>v. Method/Mode of Issuance</li> <li>vi. Purpose of the Issue/Use of Proceeds</li> <li>vii. Currency of the Issue</li> <li>viii. Maturity Date</li> <li>ix. Tenor</li> <li>x. Issue Price</li> <li>xi. Redemption, stating whether the Issuer has the option to redeem before maturity.</li> <li>xxii. Transferability (Applicable restrictions to transferability of the Sukuk (e.g. registration, number of transfers) should be disclosed. Furthermore, where the Sukuk is expressly prohibited by Shari’ah law or under the AAOIFI Standards, from being traded, the Offer Documents shall indicate that the Sukuk shall not be transferable in the secondary market). <i>See Memorandum Listing provisions of the Rules.</i></li> <li>xii. Sinking Fund</li> <li>xiii. Authority under which the Sukuk is issued</li> <li>xiv. Application Opening and Closing dates</li> <li>xv. Rental Rate/Return Sharing Ratio</li> <li>xvi. Tax Considerations</li> <li>xvii. Relevant Transaction Documents</li> <li>xviii. Transaction Parties</li> <li>xix. Statement on Shari’ah certification and Adviser</li> </ul>

S/N	Header	Content Guidelines
		xx. Such other information as may be required by FMDQ during the Listing process
2.	<b>Listing Status</b>	<p>The Offer Documents shall state that an application for the Listing of the Sukuk has been made to the Committee for the admission of the Sukuk to the Quotations List of FMDQ OTC Securities Exchange.</p> <p>Where the Sukuk is not tradable in accordance with Shari'ah law and the AAOIFI Standards, the Offer Documents shall state that an application has been made for the admission of the Sukuk under the Memorandum Listing.</p>
3.	<b>Declarations</b>	<ul style="list-style-type: none"> <li>i. A statement by the Solicitor-General of the State or any other legal officer authorised in that behalf to the effect that all the legal requirements relating to the issue have been complied with.</li> <li>ii. A statement by the Accountant-General of the State that to the best of his/her knowledge and belief, there is nothing contained in the Offer Documents which will make the statement regarding the financial viability of the project misleading.</li> <li>iii. The guarantee by State Government of the loan or debenture stating priority claim of repayments of the loan against resources of the said authority e.g. Irrevocable Standing Payment Order (ISPO).</li> <li>iv. Letter of confirmation from the Accountant-General of the Federation of receipt of the irrevocable letter of authority (ILOA) to deduct the principal and return from the statutory allocation due to the State in the event of default by or failure of the State to meet its payment obligations. In the case of bonds not backed by ILOA, an acceptable third party guarantee.</li> </ul>
4.	<b>Risk and Mitigating Factors</b>	<p>Information on the material risk factors relevant to the investment in the Sukuk should be provided in the Offer Document.</p> <p>The Prospectus shall state that investment in Sukuk contain certain risk factors and shall provide descriptions of the associated risks and their respective mitigating factors involved in investing in Sukuk. Such risk includes the following, inter alia:</p> <ul style="list-style-type: none"> <li>i. Credit Risk</li> <li>ii. Market Risk</li> <li>iii. Political Risk</li> <li>iv. Legal Risk</li> <li>v. Regulatory Risk</li> <li>vi. Business Strategy Risk</li> <li>vii. Currency Translation Risk</li> <li>viii. Brand and Reputation Risk</li> <li>ix. People Risk</li> <li>x. Financial Reporting Risk</li> <li>xi. Return Payment Risk</li> </ul>

S/N	Header	Content Guidelines
		xii. Process Risk xiii. Technology Risk xiv. Shari'ah Compliance Risk xv. Issue Risk

### C. For Corporate Issues

The Offer Documents in respect of the prospective Issues shall include, the contents of the table below, *inter alia*:

S/N	Header	Sub-Header (where applicable)	Content Guidelines
1.	<b>Declaration by the Issuer</b>		<p>The Issuer's declaration shall affirm as follows that:</p> <ul style="list-style-type: none"> <li>i. the Issuer has taken reasonable care to ensure that the information provided in the Shelf Prospectus and any supplementary Offer Document (such as a pricing supplement) is accurate and contains no omissions likely to affect the accuracy of the information contained therein</li> <li>ii. there has been no significant change in the financial condition or material adverse change in the prospects of the Issuer since the date the Prospectus was issued</li> <li>iii. that the Issuer has not during the twelve (12) calendar months preceding the date of the application for the Listing of the Sukuk, breached any terms and conditions in respect of borrowed monies which has resulted in the occurrence of an immediate recall of such borrowed monies.</li> <li>iv. no prosecution has been commenced against the Issuer or any of its subsidiaries during the twelve (12) calendar months preceding the date of the application for the Listing of the Sukuk in respect of any breach or contravention of any securities or companies laws including but not limited to the Companies and Allied Matters Act Cap C20 LFN 2004, the Investments and Securities Act 2007 and the SEC Rules made pursuant to the Act</li> </ul> <p>The Issuer's declaration shall be signed by its authorised signatories with their names and designations boldly stated beneath their respective signatures.</p>
2.	<b>Summary of the Programme/Issue</b>		<p>The Offer Documents shall provide a summary of the Programme/Issue with information on the following, <i>inter alia</i>:</p>

S/N	Header	Sub-Header (where applicable)	Content Guidelines
			<ul style="list-style-type: none"> <li>i. Issuer</li> <li>ii. Description of the Programme/Issue</li> <li>iii. Size of the Programme</li> <li>iv. Parties to the Programme/Issue</li> <li>v. Method/Mode of Issuance</li> <li>vi. Use of Proceeds</li> <li>vii. Currency of the Issue</li> <li>viii. Maturity Date</li> <li>ix. Tenor</li> <li>x. Issue Price</li> <li>xi. Redemption</li> <li>xii. Transferability (where the Sukuk is expressly prohibited by Shari’ah law or under the AAOIFI Standards, from being traded, the Offer Documents shall indicate that the Sukuk shall not be transferable in the secondary market). <i>See Memorandum Listing provisions of the Rules.</i></li> <li>xiii. Return Rate: Whether floating or fixed</li> <li>xiv. Status of the Issue: whether subordinated or unsubordinated debt, whether preference or pari passu, whether secured or unsecured</li> <li>xv. Governing Law</li> <li>xvi. Tax Considerations</li> <li>xvii. Relevant Transaction Documents</li> <li>xviii. Issuer and Issue Ratings</li> <li>xix. Statement on Shari’ah certification and Adviser</li> <li>xx. Such other information as may be required by FMDQ during the Listing process</li> </ul>
3.	<b>Key Investment Considerations</b>	Operational positioning	<ul style="list-style-type: none"> <li>i. Key business strengths</li> <li>ii. Brand</li> <li>iii. Diversification (market, sector, geography, etc.)</li> <li>iv. Client analysis and relationship with suppliers</li> <li>v. Competitive position</li> </ul>
		Financial Positioning	<ul style="list-style-type: none"> <li>i. Cash flow generation</li> <li>ii. P&amp;L accounts</li> <li>iii. Balance Sheet</li> <li>iv. Investment Policy</li> <li>v. Dividend Policy</li> <li>vi. Main financial covenants and guarantees</li> </ul>

S/N	Header	Sub-Header (where applicable)	Content Guidelines
		Risk and Mitigating Factors	<p>Information on the material risk factors relevant to the investment in the Sukuk of the Issuer should be provided in the Offer Document</p> <p>The Prospectus shall state that investment in Sukuk contain certain risk factors and shall provide descriptions of the associated risks and their respective mitigating factors involved in investing in Sukuk. Such risk includes the following, inter alia:</p> <ul style="list-style-type: none"> <li>i. Credit Risk</li> <li>ii. Market Risk</li> <li>iii. Political Risk</li> <li>iv. Legal Risk</li> <li>v. Regulatory Risk</li> <li>vi. Business Strategy Risk</li> <li>vii. Currency Translation Risk</li> <li>viii. Brand and Reputation Risk</li> <li>ix. People Risk</li> <li>x. Financial Reporting Risk</li> <li>xi. Process Risk</li> <li>xii. Technology Risk</li> <li>xiii. Shari’ah Compliance Risk</li> <li>xiv. Issue Risk</li> </ul>
		Legal Positioning	<p>A detailed legal opinion of the solicitors to the issue containing the following:</p> <ul style="list-style-type: none"> <li>i. Legal status of the Issuer and Originator</li> <li>ii. Authorisations</li> <li>iii. Compliance issues</li> <li>iv. Registering of the Sukuk; what happens in the event of insolvency</li> <li>v. Tax matters</li> <li>vi. Restrictions on the Issue (if any)</li> <li>vii. Declaration that no litigation, if any, that the Issuer is involved in is significant)</li> </ul> <p>Any other important and relevant legal information as may relate to the Sukuk</p>
		Overview	Overview of the Issuer and Originator and its business

S/N	Header	Sub-Header (where applicable)	Content Guidelines
4.	<b>Company Description</b>	History	Brief information about the history of the Issuer
		Strategy	<ul style="list-style-type: none"> <li>i. Long-term priorities and objectives</li> <li>ii. Growth opportunity</li> <li>iii. Brand strategy</li> <li>iv. Social and environmental commitments</li> </ul>
		Business Activities	<ul style="list-style-type: none"> <li>i. By geographical area</li> <li>ii. Trading performance by sector/market</li> </ul>
		Market Description	<ul style="list-style-type: none"> <li>i. Segments</li> <li>ii. Technology evolution</li> <li>iii. Competitors</li> <li>iv. Regulation</li> <li>v. Environmental matters</li> </ul>
		Management Overview	Profiles of the following key persons: <ul style="list-style-type: none"> <li>i. Board of Directors or</li> <li>ii. Key Management staff</li> </ul>
		Financial Performance	<ul style="list-style-type: none"> <li>i. Summary of consolidated and [individual] financial statements</li> <li>ii. Trading performance history</li> <li>iii. Cash flows, working capital and capex</li> <li>iv. Income statements</li> <li>v. Credit metrics</li> <li>vi. Financial structure and bank relationships</li> </ul>
		Other Information	<ul style="list-style-type: none"> <li>i. Legal matters/litigation</li> <li>ii. Other (socially responsible investment)</li> <li>iii. Health and safety</li> <li>iv. Research and development</li> <li>v. Information Technology</li> <li>vi. Intellectual property</li> <li>vii. Insurance</li> <li>viii. External Risk Factors</li> <li>ix. Related party transactions</li> </ul>
5.	<b>Terms and Conditions of the Issue</b>	Form, Denomination, and Title	<p>The Issuer will be required to maintain a register in respect of the Issue, which will record the serial number (if relevant), holder and transfer of each Issue. The person in whose name the Sukuk is registered shall be treated as its absolute owner for all purposes.</p> <p>The Offer Documents shall state whether the Sukuk shall be issued in certificated or dematerialised form.</p>

S/N	Header	Sub-Header (where applicable)	Content Guidelines
		Status of the Issue	<ul style="list-style-type: none"> <li>i. The Offer Documents shall state whether the Issue constitutes secured or unsecured debt obligations of the Issuer</li> <li>ii. The Offer Documents shall also state whether the Issue ranks pari passu other senior debt of the Issuer having equivalent characteristics save duly documented exceptions (any specific limitation on granting of security interests to be stipulated in the negative pledge provision)</li> </ul>
		Negative Pledge	<ul style="list-style-type: none"> <li>i. When drafting this clause, consideration should be given to consistency with negative pledge clauses in existing bank loans and other senior debt documentation with similar characteristics (if any), particularly with regards to exceptions and thresholds, so that investors' claims benefit from the same protections as those bank loans and other senior debts.</li> <li>ii. When drafting the negative pledge, the Issuer should compile a statement of existing security interests or guarantees and submit it to the investors.</li> </ul>
		Financial Covenants	<p>The financial covenants described below may vary depending on the circumstances of the Issuer and the Sukuk Issue.</p> <ul style="list-style-type: none"> <li>i. Financial covenants may include, inter alia, one or several covenants such as, a gearing ratio, cash flow ratios, a leverage ratio, an interest cover ratio, and possibly annual limits on capital expenditure.</li> <li>ii. The ratios, each component of the ratios and any corresponding definitions should be clearly drafted to ensure consistency with those used in the Issuer's bank loans and other senior debt documentation with similar characteristics (if any) and/or the accounting policies or requirements of the Issuer.</li> <li>iii. The frequency and timing for calculating the ratios and providing such calculations to investors should be stipulated in the Offer Documents (likely to be annually, or more frequently, depending on the relevant regulatory requirements, other requirements of the investors and the situation of the Issuer).</li> </ul>
		Information Disclosure Undertakings	Although the circumstances will vary for each Issuer and each Issue, the information that Issuers are likely to be required to disclose to investors in order to ensure compliance with, and/or prevent a breach of, an undertaking, and/or as part of



S/N	Header	Sub-Header (where applicable)	Content Guidelines
			<p>the Sukuk Listing process, may include the following, inter alia:</p> <ol style="list-style-type: none"> <li>i. Financial data prepared on the basis set out in the Offer Documents (consolidated and non-consolidated annual financial statements and, where appropriate, interim financial statements, along with the relevant statutory auditors’ reports and significant historical data), statement of existing security interests or guarantees and business plan, where appropriate;</li> <li>ii. Events affecting the Issuer’s indebtedness, such as occurrence of an event of default, characteristics of new debt, amendments and waivers, acquisitions and the extension of financing, invocation of an exception to the negative pledge for a significant amount, etc.;</li> <li>iii. Description of debt, security interests and guarantees and other specific characteristics in order to assess the potential for subordination of claims.</li> <li>iv. All documents sent to the Issuer’s shareholders or other creditors.</li> <li>v. Details of litigation, arbitration or administrative procedures and further information regarding the financial condition, business and operations of the Issuer or its group as may be reasonably requested by the investors and in all cases as agreed between the Issuer and the investor.</li> <li>vi. Details of any fixed assets owned by the Issuer shall be provided in the form of a “Property Schedule”</li> <li>vii. Details of the Issuer’s compliance with the relevant codes of corporate governance</li> <li>viii. Detailed breakdown of all upfront and recurring fees and expenses for the issue/programme;</li> <li>ix. Waiver(s) from complying with any relevant rules of the Commission obtained for the proposed issue/programme (if any);</li> <li>x. Specific approval sought and obtained from the Commission in relation to the appointment of an independent shari’ah adviser and/or applicable shari’ah principle or concept;</li> <li>xi. Conflict-of-interest situations and appropriate mitigating measures;</li> <li>xii. Detailed information of the existing Sukuk issue and/or loans to be refinanced by the proposed issue/programme, where applicable;</li> </ol>

S/N	Header	Sub-Header (where applicable)	Content Guidelines
			<p>xiii. Whether the Issuer or its board of directors or such other persons with equivalent authority over the affairs of the Issuer have been charged or convicted with any offence under the securities laws, corporation laws or other laws involving fraud or dishonesty in a court of law, for the last five (5) years prior to the date of the issue of the Offer Documents</p> <p>xiv. Whether the Issuer has been subjected to any action by a registered or recognised securities exchange for any breach of listing rules/requirements prescribed by the securities exchange, for the past five (5) years prior to the date of issue of the Offer Documents</p> <p>xv. Any other information which is material to investors.</p>
		Other undertakings	<p>Other required undertakings will depend on the nature and situation of the Issuer and the Issue. However, generally, the Issuer may be required to give some or all of the following undertakings as to:</p> <p>i. Compliance with all relevant authorisations and laws.</p> <p>ii. Restrictions on disposals of assets.</p> <p>iii. Restrictions on mergers and corporate restructurings generally in certain circumstances.</p> <p>iv. Restrictions on substantial changes to business.</p> <p>v. Potential requirement to hold an annual meeting with senior management of the Issuer.</p> <p>vi. Use of proceeds of the Issue.</p> <p>vii. Sources of repayment in respect the Issue.</p> <p>viii. Potential limits on the incurrence of additional indebtedness of the Issuer and its subsidiaries.</p>
		Representations	<p>Although the circumstances will vary for each Issuer and each Issue, the information that Issuers are advised to represent to investors may include some or all of the following representations as to:</p> <p>i. Corporate matters: due incorporation and existence of the Issuer, power, and authority to issue the Sukuk, validity and admissibility of authorisations and compliance with Issuer's shareholders' agreement, memorandum and articles of association or such other equivalent constitutional documents.</p> <p>ii. Governing law, enforceability, and conflict: that obligations under the Issue are legal, valid, binding and enforceable, and do not conflict with law or</p>

S/N	Header	Sub-Header (where applicable)	Content Guidelines
			<p>regulation applicable to the Issuer, its constitutional documents, and other obligations;</p> <ul style="list-style-type: none"> <li>iii. Tax Considerations in respect of the Issue.</li> <li>iv. Accuracy of the information provided.</li> <li>v. Financial statements.</li> <li>vi. Insolvency proceedings.</li> <li>vii. Pari passu ranking.</li> <li>viii. Litigation pending or threatened.</li> <li>ix. Shari’ah certification</li> <li>x. That the Issue shall be registered and listed on the FMDQ OTC Securities Exchange which, upon approval for the Quotation by the FMDQ Board Listings, Markets and Technology Committee shall, unless listed under the Memorandum Listing, be made available for secondary market trading to Qualified Institutional Investors and Eligible Individual Investors as defined in the Sukuk Listing Rules (as may be amended and supplemented by FMDQ OTC Securities Exchange).</li> <li>xi. That the directors (or equivalent designation) of the Issuer collectively and individually accept full responsibility for the accuracy of the information given and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no facts, the omission of which would make any statement herein misleading or untrue.</li> </ul>
		Events of Default	<p>The scope and application of the events of default will depend on the structure and complexity of the Issuer and its group (if applicable), and will be set out in the Offer Documents. Although the circumstances will vary for each Issuer and each Issuer, the events of default will usually include:</p> <ul style="list-style-type: none"> <li>i. Non-payment of amounts due under the Issue (unless caused by certain technical errors or remedied within a certain grace period).</li> <li>ii. Breach of financial covenants by the Issuer.</li> <li>iii. Breach of other obligations by the Issuer (unless remedied within a certain grace period).</li> <li>iv. Misrepresentation (unless capable of being remedied and actually remedied within a certain grace period).</li> <li>v. Cross default and/or cross acceleration. The defaults which may trigger a cross default clause may be subject to minimum thresholds and usually cover financial indebtedness such as bond debt, bank debt, financial debt such as leasing debt, receivables and</li> </ul>

S/N	Header	Sub-Header (where applicable)	Content Guidelines
			<p>factoring debt, derivatives and guarantees or indemnities.</p> <p>vi. Events relating to insolvency, creditors' processes (subject to certain thresholds and grace periods).</p> <p>vii. Repudiation.</p> <p>viii. Occurrence of a material adverse change (on the basis of a definition to be agreed).</p>
		Information specific to Securitised Debt	<p>Where the Issue is secured on specific assets, the following should be provided:</p> <p>i. A statement of the laws by which the underlying assets are governed, and the jurisdiction to which the parties will submit in the event of any disputes.</p> <p>ii. The nature of the assets.</p> <p>iii. The maturity date(s) of the assets (where applicable).</p> <p>iv. The currency and amount of the assets.</p> <p>v. Where the assets are themselves secured or backed by other assets, details of such other assets including, where such assets are subordinated, details of the subordination provisions.</p> <p>vi. A description of any significant representations and warranties given to the issuer relating to the assets.</p> <p>vii. Any collateral substitution rights.</p>
		Transferability	<p>Applicable restrictions to transferability of the Sukuk (e.g. registration, number of transfers) should be disclosed.</p> <p>The Offer Documents should also expressly state that the Sukuk can also be transferred to investors who qualify as Accredited Investors in accordance with the Sukuk Listing Rules.</p> <p>Where the Sukuk is expressly prohibited by Shari'ah law or under the AAOIFI Standards, from being traded, the Offer Documents shall indicate that the Sukuk shall not be transferable in the secondary market. See Memorandum Listing provisions of the Rules.</p>
		Ratings	The extracts of the rating reports of the Issuer and the Issue shall be provided in the Offer Documents.
		Shari'ah Certification	The extracts of the shari'ah certification of the Issue shall be provided in the Offer Documents.

S/N	Header	Sub-Header (where applicable)	Content Guidelines
		Parties to the Issue	The Offer Documents shall provide documents shall provide information about all parties to the Issue.
		Location of the Register	The name and registered address of the Registrars to the Issue.
		Liability for False and Misleading Statements in the Offer Documents	The Offer Documents shall state clearly and unambiguously that liability for any false or misleading statement in the Offer Documents shall be treated in accordance with the provisions of sections 85 and 86 of the Investments and Securities Act 2007 and such other relevant laws and regulations.
		Incorporation by Reference	Documentation may be incorporated in the Offer Document by reference where such document had previously filed and/or registered with FMDQ.
		Date of the Prospectus	Every Prospectus shall be dated on the front cover and the date shall not be earlier than the date of execution of the Offer Documents or the completion board meeting
6.	Information to be provided in Supplementary Shelf Prospectus/Pricing Supplement		<p>The supplementary shelf prospectus/pricing supplement shall state that the offer period which should not be longer than twenty-eight (28) business days from the date of the issue of the supplementary prospectus or such longer period as may be allowed by FMDQ, subject to the approval of the Commission. The supplementary shelf prospectus/pricing supplement shall further disclose the following information:</p> <ol style="list-style-type: none"> <li>i. Any significant or material change in the information disclosed in the shelf prospectus.</li> <li>ii. The supplementary shelf prospectus/pricing supplement shall amend all false and misleading statements in the shelf prospectus and include any omissions in the shelf prospectus</li> <li>iii. Any legal proceedings commenced against either the Issuer since the approval of the shelf prospectus</li> <li>iv. That the supplementary Offer Document has been registered by the Commission and that a copy has been lodged with FMDQ.</li> </ol>
7.	<b>Listing Status</b>		The Offer Documents shall state that an application for the Listing of the Sukuk has been made to the Committee for the admission of the Sukuk to the Quotations List of FMDQ OTC Securities Exchange.

S/N	Header	Sub-Header (where applicable)	Content Guidelines
			Where the Sukuk is not tradable in accordance with Shari'ah law and the AAOIFI Standards, the Offer Documents shall state that an application has been made for the admission of the Sukuk under the Memorandum Listing.

#### **APPENDIX IV: CONTENTS OF THE TRUST DEED**

The Trust Deed or other document governing the rights of the Sukuk holders shall contain the following provisions, *inter alia*:

1. Where a meeting of Sukuk holders is held, the Issuer must ensure that:
  - (i) at least fourteen (14) days' notice in writing of any meeting (other than a meeting convened to pass a special resolution) of Sukuk holders shall be given by the trustee. In the case of a meeting convened to pass a special resolution, at least twenty-one (21) days' notice shall be given. Such notice will specify the general nature of the business to be transacted.
  - (ii) the Trustee shall cause at least fourteen (14) days' notice (twenty-one (21) days' in the case of special resolution to be passed) to be given of any meeting by advertisement in at least two (2) nationally daily newspapers and in writing to the OTC Exchange.
  - (iii) the notices convening a meeting of Sukuk holders must contain sufficient information to enable a Sukuk holder to decide whether to attend the meeting.
2. A Sukuk holder shall be entitled to attend and vote at any meeting of Sukuk holders, and shall be entitled to appoint a proxy (whether a Sukuk holder or not) to attend and vote on his behalf. Such proxy shall have the same rights as the Sukuk holder to vote whether by poll or a show of hands, to speak and to be reckoned in a quorum.
3. In the case of an equality of votes the chairman of a meeting of Sukuk holders shall have a casting vote in addition to his vote (if any) as a Sukuk holders both on a show of hands and on a poll.

**APPENDIX V: SPONSOR'S DECLARATION**

**[SPONSOR'S LETTERHEAD]**

**[Date]**

**The Managing Director/CEO  
FMDQ OTC Securities Exchange  
1 Olosa Street  
Victoria Island  
Lagos**

**SPONSOR'S DECLARATION IN RESPECT OF [DESCRIPTION OF ISSUE]**

**[Name of Sponsor]** being the Sponsor to the **[Name of Issuer]** ("the Issuer") in respect of the **[Description of Issue]** hereby declares as follows that:

*After due and careful enquiry have satisfied ourselves that the statements in the Offer Documents are true and no facts known to the Issuer and [Name of Sponsor] are omitted.*

Yours faithfully,

**FOR: [Name of Sponsor]**

<b>Name</b>	_____	<b>Name</b>	_____
<b>Designation</b>	_____	<b>Designation</b>	_____
<b>Signature</b>	_____	<b>Signature</b>	_____
<b>Date</b>	_____	<b>Date</b>	_____

## APPENDIX VI: FORM OF GENERAL UNDERTAKING

### [ISSUER LETTERHEAD]

**The Managing Director/CEO  
FMDQ OTC Securities Exchange  
1 Olosa Street  
Victoria Island  
Lagos**

[Name of Issuer] acknowledges that it shall remain on the Quotations List of FMDQ at the Committee's discretion and hereby resolves and undertakes as follows to:

1. Promptly notify the Committee of the following:
  - (i) Attachment or prohibitory orders restraining the Issuer from transferring Sukuk from the account of the registered holders and furnish to FMDQ with particulars of the numbers of Sukuk so affected and the names of the registered holders.
  - (ii) Any action which will result in the redemption, conversion, cancellation, retirement in whole or in part of the Sukuk registered and listed on the OTC Exchange.
  - (iii) Any action that would adversely affect the payment of return on the Sukuk to investors.
  - (iv) Any actual or proposed change in the form or nature of any of the Sukuk that are registered and listed on the OTC Exchange or in the rights or privileges of the investors thereof and make an application for the quotation of the Sukuk which have changed, if FMDQ so requires.
  - (v) Any actual or proposed changes in the directorship or leadership of the Issuer
  - (vi) Any actual or proposed change that would affect the rights and obligations of the investors in the Sukuk.
  - (vii) Any expected default in timely payment of return or redemption or repayment amount or both in respect of the Sukuk on the OTC Exchange as soon as the same becomes apparent.
  - (viii) Any other information not in the public domain necessary to enable the investors in the registered and listed Sukuk to clarify their positions and to avoid the creation of a false market in such registered and listed Sukuk.
  - (ix) Any changes in the general or legal character, form or nature of business/activities, disruption of operation due to natural disaster.
  - (x) Any revision and/or reduction in ratings of the Issuer and the Issue.



- (xi) Any events such as strikes and other force majeure event which have a bearing on the principal/return repayment capacity.
- (xii) Any proposed changes in the terms of the Offer Documents, the Trust Deed, underwriting agreement, vending agreement, Bond Specialist agreement and such other relevant transaction documents.
- (xiii) Any proposed changes to the parties to the transaction as outlined in the Offer Documents.
- (xiv) Any proposed changes in the collateral, if any, deposited under the Trust Deed
- (xv) Delay/default in payment of principal/return amount for a period of more than three (3) months from the due date.
- (xvi) Any information having bearing on the operation/performance of the Issuer including price sensitive information.
- (xvii) Any information which FMDQ may request from time to time whilst the Issue remains on the Quotations List.

2. The Issuer agrees as follows to provide the following documents:

- (i) All circulars, notices, reports, documents, or announcements at least fourteen (14) days before they are issued to holders of the security or made in respect of the security.
- (ii) All resolutions passed by the holders of the security within seven (7) days of the passing of the resolutions.
- (iii) All resolutions passed by the company other than resolutions passed at an annual general meeting for the purpose of adopting the report and accounts declaring dividends and reelecting directors and auditors.
- (iv) Annual ratings report by a rating agency accredited by the Commission within three (3) months of the expiration of the rating for the preceding year.
- (v) Annual Shari'ah certification by an Adviser within one (1) months of the expiration of the certification.
- (vi) Annual utilisation report showing that the proceeds of the security have been disbursed in line with the Offer Documents.
- (vii) Quarterly unaudited management accounts.
- (viii) Quarterly compliance report in the FMDQ-advised template

3. The Issuer further agrees to:

- (i) Inform FMDQ, of its intention to raise funds through the issuance of subsequent Sukuk prior to issuing such Sukuk.
- (ii) Make an application to FMDQ for the Listing of such new issue of Sukuk and to submit such

- provisional documents as required by FMDQ.
4. To comply with Rules of FMDQ governing Listing of Sukuk as may be amended from time to time.
  5. To pay any relevant fees and dues payable to FMDQ in respect of any Issue registered and listed on the OTC Exchange.
  6. To adhere to any post-Listing compliance requirements and continuous disclosure standards that may be prescribed by FMDQ.
  7. To recognise that the Committee reserves the right to remove any security from the Quotations List as it deems fit.
  8. We acknowledge that these conditions are non-exhaustive and FMDQ may from to time prescribe for the period the Sukuk remains listed on the FMDQ Platform.
  9. **SIGNED FOR AND ON BEHALF OF [NAME OF ISSUER]:**

<b>Name</b>	_____	<b>Name</b>	_____
<b>Designation</b>	<u>[Authorised Signatory]</u>	<b>Designation</b>	<u>[Authorised Signatory]</u>
<b>Signature</b>	_____	<b>Signature</b>	_____
<b>Date</b>	_____	<b>Date</b>	_____

### APPENDIX VII: ALLOTMENT REPORT

The table below provides an indicative template of the Allotment Report to be submitted by the Sponsor of the Sukuk within two (2) business days of settlement.

S/N	Issue Description	Investor Group	Allocation (%)*
1.		Pension Fund Administrators	
		Asset Managers	
		Eligible Individual Investors	
		Trustees	
		Insurance Companies	
		Banks	
		Others (Please Specify)	
<b>TOTAL</b>			<b>100%</b>

\*Note: The allocation percentages should be arranged in descending order i.e. highest percentage allotted to the lowest percentage allotted.

Yours faithfully,

**FOR: [Name of Sponsor]**

<b>Name</b> _____	<b>Name</b> _____
<b>Designation</b> <i>[Authorised Signatory]</i> _____	<b>Designation</b> <i>[Authorised Signatory]</i> _____
<b>Signature</b> _____	<b>Signature</b> _____
<b>Date</b> _____	<b>Date</b> _____

## APPENDIX IX: COMPLIANCE REPORT

The table below provides an indicative template of the information which FMDQ may require to be contained in the quarterly report prepared by the Sponsor to an Issue. Please note that the information requested in this compliance report is non-exhaustive and FMDQ retains the rights to request further information as it deems fit.

### [ISSUER LETTERHEAD]

<b>Name of Issuer:</b>	
<b>Name of Originator (if Issuer is SPV)</b>	
<b>Issue/Programme Description:</b>	
<b>Name of Sponsor:</b>	
<b>Reporting Period:</b>	

S/N	NOTIFICATION	YES	NO	N/A
1.	Have there been any audited accounts of the Issuer and/or consolidated accounts of its group (where applicable) after the date of last submission?			
2.	Have there been any interim reports (provisional or unaudited) of the Issuer after the date of last submission?			
3.	Have there been any changes in the directors of the Issuer?			
4.	Have there been any changes in the capital structure, or any other corporate action that could affect the price of the Sukuk in the market?			
5.	Have there been any alterations to the memorandum and articles of association or other equivalent constitutional documents of the Issuer?			
6.	Have there been any changes in the general character or nature of the business of the Issuer or its group?			
7.	Are there any circumstances that may affect the company's creditworthiness or ability to make the principal and/or			

S/N	NOTIFICATION	YES	NO	N/A
	return in respect of the Issue?			
8.	Have there been any changes in the terms of the Issue as contained in the Offer Documents?			
9.	Have there been any proposed changes to the parties to the Issue as stated in the Offer Documents?			
10.	Have there been any leakages of the financial statement, revision/downgrade in the ratings or any other information that may affect the price of the Issue?			
11.	Have there been any resolutions passed at a board meeting, annual general meeting, extra-ordinary general meeting, or any other meeting that is likely to affect the terms and conditions of the Issue?			
12.	Have there been any circulars, notices, reports, documents, or announcements issued to holders of the Sukuk or made in respect of the Sukuk?			
13.	Have there been any decisions of any subsidiaries of the Issuer to acquire another business or section of another business?			

**IF THE ANSWER TO ANY OF THE QUESTIONS ABOVE IS “YES”, THE ISSUER IS REQUIRED TO PROVIDE ADDITIONAL INFORMATION/DETAILS IN A SEPARATE SHEET OR ATTACH SUPPORTING DOCUMENTATION.**

**THIS COMPLIANCE REPORT WAS PREPARED BY:**

**Name:** \_\_\_\_\_

**Designation:** \_\_\_\_\_

**Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**FOR AND ON BEHALF OF:**

\_\_\_\_\_

**[NAME OF ISSUER]**