

NOTIFICATION OF DRAFT RULES GOVERNING THE LISTING OF SUKUK AND DEBT SECURITIES & INVITATION FOR COMMENTS

I. Introduction

Sukuk is the Islamic equivalent of bonds. In Islam, fixed income and interest-bearing bonds are not permissible, hence, sukuk securities are structured to comply with Islamic law and its investment principles which prohibit the charging or paying of interest.

Recently, Nigeria joined the global finance world in adopting Shari’ah compliant instruments for capital-raising instruments. Examples include: Osun Sukuk Company Plc and NSE/Lotus Islamic Index (NSE-LII – which tracks the performance of 15 Shari’ah compliant equities).

This proposed rule will enable The Exchange guide the structuring of the issue of sukuk securities by ensuring that Issuers comply with established principles and stipulated requirements.

II. Summary of the Draft Rules

The draft Rules sets out the requirements that must be complied with by an Issuer seeking to list its sukuk or debt securities for trading on The Exchange. The draft Rules contains provisions on requirements for approval for admission and appointment of a Shari’ah adviser; contents of the sukuk trust deed; admission of a foreign issuer; requirements imposed on the obligor; continuing listing obligations; disclosure of information; submission of financial statements; and delisting by The Exchange.

In addition to these Rules, an Issuer shall be required to comply with other Rules and Regulations of The Exchange; the Securities and Exchange Commission (SEC), as well as any other regulatory requirements in force from time to time.

III. Invitation for Comments

The Exchange is pleased to invite you to participate in its rule making process. Your participation is required by way of reviewing the draft Rules and providing your comments thereon. A set of the draft Rules may be viewed through [the link provided here.](#)

The Exchange views your participation as important for the following reasons:

- To create public awareness and solicit the public's feedback on the draft Rules;
- To improve the draft Rules where necessary and thereby have a robust, well written set of Rules.

We are involving as many stakeholders as possible in this rule making process in order to achieve the aforementioned goals. Please be assured that your comments will be considered in arriving at the final text of the rules.

IV. Response and Timeline

We would be grateful to receive your comments not later than close of business on Wednesday 12 November 2014. Your comments should be sent by email to Mr. Oluwatoyin Adenugba of the Rules and Interpretation Department of The Exchange at oadenugba@nse.com.ng.

V. Approvals

Please note that the draft Rules are subject to the approval of the National Council of The Exchange and the Securities and Exchange Commission.



Tinuade T. Awe,
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