



April 2017

Shari'ah compliant securities listing on the Irish Stock Exchange

The Sukuk is the Islamic equivalent of a conventional bond, which has been designed to be Shari'ah compliant in terms of its origination and subsequent trading. As interest or "riba" paying bonds are not permissible under Islamic law, the issuer of the Sukuk instead offers investors ownership of an undivided interest in an underlying asset, proportionate to their investment, and contractually promises to repurchase the bond at a future date at par, avoiding the paying of riba.

In addition under Shari'ah law, the trading of bonds on any secondary market is prohibited. The listing of a Sukuk on the ISE is a technical listing with no secondary market trading on exchange so it is permissible. Any trading in the securities is carried out on an over the counter basis off the exchange.

Since the first Sukuk listed on the Irish Stock Exchange (the "ISE") in 2005 the ISE has become the exchange of choice for Shari'ah compliant products, with sovereign and private issuers from the UAE, Saudi Arabia, Oman, Qatar, Kuwait, Bahrain, Egypt and Jordan all choosing to list on the ISE.

Advantages of an ISE Listing

The majority of Sukuk issuers which listed on the ISE have been domiciled in the Cayman Islands and have listed on the Main Securities Market ("MSM") of the ISE. The MSM is an EU Regulated

For further information on any of the issues discussed in this article please contact:
Dillon Eustace Listing Team contacts:



Tara O'Callaghan

DD: +353 (0)1 673 1831

tara.ocallaghan@dilloneustace.ie



Helen Daly

DD: +353 (0)1 673 1830

helen.daly@dilloneustace.ie



Fionnán Gannon

DD: +353 (0)1 673 1867

fionnan.gannon@dilloneustace.ie

Market. A listing on the MSM provides issuers a passport to publicly offer the listed securities throughout the EU under the Prospectus Directive.

The ISE also offers an alternative listing market – the Global Exchange Market (“GEM”). The GEM is an exchange-regulated market and offers a more flexible service to issuers applying to list.

In addition to the prestige of listing on the ISE’s markets – with increased distribution opportunities and enhanced investor transparency – the ISE offers an efficient listing process and a competitive fee structure. The guaranteed document review turnaround times of the ISE make it possible to bring products to market without delay.

Dillon Eustace Team

Dillon Eustace’s debt capital markets, tax and listing teams in Dublin and Cayman can assist issuers in establishing and listing their products in the most suitable jurisdiction based on their requirements. Dillon Eustace has in-depth experience of all types of specialist debt products servicing clients worldwide.

For assistance please contact a member of our ISE Listing, Debt Capital Markets or Tax teams or your usual Financial Services contact.

Dillon Eustace April 2017

DILLON EUSTACE

Dublin

33 Sir John Rogerson’s Quay, Dublin 2, Ireland. Tel: +353 1 667 0022 Fax: +353 1 667 0042.

Cayman Islands

Landmark Square, West Bay Road, PO Box 775, Grand Cayman KY1-9006, Cayman Islands. Tel: +1 345 949 0022 Fax: +1 345 945 0042.

New York

245 Park Avenue, 39th Floor, New York, NY 10167, U.S.A. Tel: +1 212 792 4166 Fax: +1 212 792 4167.

Tokyo

12th Floor, Yurakucho Itocia Building, 2-7-1 Yurakucho, Chiyoda-ku, Tokyo 100-0006, Japan. Tel: +813 6860 4885 Fax: +813 6860 4501.

DISCLAIMER:

This document is for information purposes only and does not purport to represent legal advice. If you have any queries or would like further information relating to any of the above matters, please refer to the contacts above or your usual contact in Dillon Eustace.

Copyright Notice:

© 2016 Dillon Eustace. All rights reserved.