Directives of listing the Islamic Finance Sukuk in Amman Stock Exchange

Directives of listing the Islamic Finance Sukuk in Amman Stock Exchange issued by virtue of the provisions of Article (14/A) from the Islamic Finance Sukuk's law No. 30 for the year 2012 that is amended by the Board of Commissioners' Decision No. (5/2018) dated 1/10/2018

Article (1):

These Directives shall be called “Directives of listing the Islamic Finance Sukuk in Amman Stock Exchange for the year 2014” and shall come into force as of 26/3/2014.

Article (2):

A- The following words and phrases shall have the meanings assigned thereto hereunder, unless the context indicates otherwise:

The Board:	The Jordan Securities Commission's Board of commissioners that was formed by virtue of Islamic Finance Sukuk law provisions No. (30) for the year 2012.
The Project:	Income-generating economic activity not prohibited by Sharia.
The Center:	Securities Depository Center (SDC).
The Stock Exchange:	The Amman Stock Exchange (ASE).
Board of Directors:	The Board of Directors of the ASE.
Chief Executive Officer (CEO):	The CEO of the ASE.
Listing:	Register the Islamic Finance Sukuk in the ASE's records to be tradable at the ASE based on Sharia standards.
Finance Sukuk Market:	That part of Secondary Market through that the trading of Islamic Finance Sukuk takes place.
Issuer entity:	The entity that directly issue the Islamic Finance Sukuk or through Special Purpose Vehicle (SPV).

B- Words and phrases not defined under these Directives shall have the meanings given thereto under the Islamic Finance Sukuk's law No. 30 for the year 2012 and Securities law No. (18) for the year 2017, Directives, By-laws and decisions that are issued by its virtue unless the context indicates otherwise.

Article (3):

To list Islamic Finance Sukuk in the Finance Sukuk Market, the following conditions must be fulfilled:

1. The Islamic Finance Sukuk are registered at the JSC.
2. The Islamic Finance Sukuk are deposited at the SDC.
3. There are no restrictions on the transfer of ownership of the Islamic Finance Sukuk except restrictions mentioned in legislation in force.
4. The issuer entity has signed the listing agreement with the ASE that determines the rights and obligations of the two parties regarding to listing the Islamic Finance Sukuk.
5. To get the approval from the Central Sharia Control Authority on trading the Sukuk.

Article (4):

A- The issuer entity shall submit listing application of the entire subscribed Sukuk along with all required documents and files according to the form prepared for this purpose.

B- The ASE has the right to reject the application of listing any Islamic Sukuk if the ASE has any reasons that shall be mentioned in the rejection decision, the issuer entity who submitted the listing application may be objected to the Board of Directors within maximum ten (10) business days from being notified with the ASE's decision, the Board of Directors should issue a decision regarding the objection within maximum thirty (30) business days of receiving the objection.

Article (5):

First: The issuer entity that submitted an application for listing the Islamic Finance Sukuk shall provide the ASE with the following statements and information on both hard and soft copies:

1. A report issued by the Issuer entity includes:

1. A Brief on the company's establishment, profile and its main practiced objectives and its relationship with the other companies whether being its Mother, subsidiary, sister or affiliate (if any).
2. A description of the Islamic Finance Sukuk issued by the issuer entity which wishes to list.
3. The company's board of directors' evaluation supported with figures of the company's performance, the stage it arrived at, the achievements it realized and a comparison of the same with the set plan.
4. The significant events occurred to which affected the company from the date of its establishment until the date of listing application submission.
5. The company's future plan for the next three years.
6. Names of the persons who own (5%) or more of the issuer entity's shares and the subscribed Sukuk.
7. Board of Directors members' names, names and positions of the top executive personal for the company, and the securities owned by any of them or their relatives, or the membership of any of them in the boards of directors of the other companies.
8. A list includes the names of the Sukuk owners, the number of Sukuk owned by each of them, their nationality and the contribution percentage of non-Jordanians.

2- Memorandum of Association and the Articles of Association of the issuer entity (if any) and the prospectus of the Islamic Finance Sukuk approved by the JSC Board of Commissioners.

3- The annual report of the issuer entity (if any) and project of the last fiscal year includes the Board of Directors' report, audited financial statements, and the auditors' report.

4- The interim financial statements of the issuer entity and the project reviewed by the auditor (if any) that covers the period from the end of the fiscal year precedes the date of listing application submission until the end of the last quarter precedes the date of listing application submission.

5- Any other information deemed necessary by the ASE to take the listing decision.

Second: The Special Purpose Vehicle (SPV) is excluded from Paragraphs (C, D, E) mentioned above in this Article.

Third: The company shall announce its audited annual and reviewed interim financial statements (if any) and a summary of the issuer entity's report that is submitted for the purpose of listing as aforementioned in item (First/1) of this Article regarding to the project, the declaration shall be in two daily local newspapers for at least once, as the company shall make the announcement three days at least before the listing date of listing the Islamic Finance Sukuk

Forth: for the purpose of these Directives, the financial statements shall include:

1. Auditor's report.
2. Statement of Financial Position.
3. Income Statement.
4. Cash flow statement.
5. Statement of Changes in shareholders' equity.
6. Clarifications to said statements.

Article (6):

The Islamic Finance Sukuk shall be listed in the Islamic Finance Sukuk market after fulfilling all the conditions and requirements mentioned in Articles (3, 4 and 5) of these Directives.

Article (7):

1. The Islamic Finance Sukuk that are issued by the Government of the Hashemite Kingdom of Jordan or any official public institutions and public institutions shall be listed in the Islamic Finance Sukuk Market after submitting the listing application and obtaining an approval in this regards
2. The Board of Commissioners has the right to exclude the Government or any official public institutions and public institutions from the provisions of these Directives unless there is no contradiction with the Islamic Sharia and its provisions of these Directives.

Article (8):

1. Trading in the listed Islamic Finance Sukuk at the ASE shall be suspended in any of the following cases:

1. In the case of any contingency that substantially affects the sound dealing in the Islamic Finance Sukuk or on the financial position of the company or the project until the procedures of disclosure to the mass of dealers are completed.
2. In cases that the ASE deems to be necessary to protect the investors.
3. Upon the justified request from the issuer entity's Board of Directors by a decision from the Board of Directors for the duration that it deems appropriate.
4. When the ASE is informed of the interruption for the normal activity of the project for a period that exceeded three (3) months without indicating the reasons justifying such interruption.
5. When the ASE is informed with the Board's Decision issued under the provisions of the Special Purpose Vehicle (SPV) By-laws with the voluntary liquidation approval for the Special Purpose Vehicle (SPV) (if any) and the project as of the trading session that follows notifying the ASE.
6. When the ASE is informed with the Board's Decision issued under the provisions of the Special Purpose Vehicle (SPV) by-law with the company voluntary liquidation confirmation (if any) and the project due to financial distress as of the trading session that follows notifying the ASE.
7. In the cases that are determined by the Board.
8. In the cases that are determined by the Board based on a recommendation of the Central Sharia Control Authority.
9. When the ASE is notified by the Sharia consultant, or the issuer entity's Sharia committee point of view indicating the impermissibility of trading the Sakk for a legitimate reason as of the trading session that that follows notifying the ASE, until receiving a decision from Central Sharia Control Authority indicating continue suspending or resuming the trading.
10. If the issuer entity did not pay due fees and charges until the end of the calendar year.

2. The Board of Directors shall suspend the trading on Islamic Finance Sukuk in the case of not providing the ASE with the project's audited financial statement for one fiscal year.

Article (9):

The trading in Islamic Finance Sukuk shall be resumed after the reason of suspension has been canceled, by virtue of a decision issued by the same party that issued the suspension decision, and pay all the dues fees and charges owed to the ASE.

Article (10):

Upon provisions, the Islamic Finance Sukuk shall be delisted in any of the following cases:

1. After the ASE is informed with the Board Decision issued under the provisions of the Special Purpose Vehicle (SPV) By- laws to liquidate the (SPV) (if any) and the project due to financial distress.

2. After the ASE is informed with the Board's Decision issued under the provisions of the Special Purpose Vehicle (SPV) By-law to liquidate the (SPV) (if any) and the project
3. Being suspending of trading for more than one year.
4. When reaching the maturity date of amortization or before its due date (early amortization).

Article (11):

1. The issuer entity shall provide the ASE with the following reports, statements and information on both hard and soft copies :
    1. The company's annual report including the company's board of directors' report, company's audited financial statements and its auditors' report, within maximum period of three (3) months from the date of the end of its fiscal year.
    2. A quarterly report compared with the same period of the previous fiscal year including the company's financial statements reviewed by the company's auditor, within one month from the date of the end of the relevant quarter.
    3. The information and decisions passed by issuer entity's Board of Directors that may affect the prices of the issued Islamic Finance Sukuk upon their occurrence or adoption.
    4. The decisions passed by the meetings of Sukuk owners' assembly that the Issuance Trustee informed.
    5. The decisions passed by the company's general assembly (if any) regarding to the Islamic Finance Sukuk before the beginning of the trading session on the next business day that follows the meeting date.
    6. A report about the project, its progress, the financial dividends paid out and the expected cash flows for the remaining life of the project.
    7. Any information or statements deemed necessary by the ASE.
    8. The issuer entity shall follow up and coordinate with the Companies General Controller and any other competent authority to inform the ASE with the decisions of voluntary and compulsory liquidation for the Special Purpose Vehicle (SPV).

Article (12):

The Board of Directors may list the Islamic Finance Sukuk issued in foreign currencies, and such Sukuk shall be priced according to the provisions of the trading in Islamic Finance Sukuk Directives that are in force at the ASE.

Article (13):

The CEO shall take all the necessary decisions and actions to implement the provisions of these Directives, unless it is stipulated otherwise.

Article (14):

The Board of Directors shall handle any case not stipulated in these Directives and shall take the necessary decisions in respect thereof, after the approval of the Board of Commissioners, as the latter may consult the Central Sharia Control Authority in the required cases.

Article (15):

The issuer entity of the Islamic Finance Sukuk shall comply with the provisions of these Directives and all related legislations, and any decisions passed by the ASE in this respect.