

## SUKUK REFERENCE OBLIGATION LISTS - PROCEDURES

### Background

- 1) The 'Sukuk Reference Obligation Lists' contain Reference Obligations related to Reference Entities that issue debt in the form of Sukuk. They are additional Deliverable Obligations with respect to contracts that incorporate them.
- 2) The Sukuk Reference Obligation Lists are published by Markit and the lists are available at <http://www.markit.com/product/Reference-Data-CDS>
- 3) Each Sukuk Reference Obligation List shall contain all Reference Obligations that pertain to the specified Reference Entity, as agreed by the Markit RED European Emerging Markets Trading Group. The following information shall also be included:
  - 1) Reference Entity
  - 2) Region
  - 3) Issuer
  - 4) Coupon
  - 5) Maturity
  - 6) RED Code
  - 7) Date Added
  - 8) Date removed
- 4) The universe of Reference Entities has been determined by the Markit RED European Emerging Markets Trading Group and 10 entities were submitted to Markit for review (see below for details).
  - 1) Aldar Properties PJSC
  - 2) Dar Al Arkan Real Estate Development Company
  - 3) Dubai
  - 4) Dubai Islamic Bank (Public Joint Stock Company)
  - 5) Islamic Republic of Pakistan
  - 6) Kingdom of Bahrain
  - 7) Malaysia
  - 8) Nakheel Development Limited
  - 9) Republic of Indonesia
  - 10) Republic of Turkey

### High-Level Procedures

- 5) Markit will publish an Sukuk Reference Obligation List for each of the Reference Entities selected by the Markit RED Emerging Markets Trading Group.

- a. The Sukuk Reference Obligation Lists will be subject to an annual review by the Markit RED Emerging Markets Trading Group. This annual review will also be communicated to the ISDA Operations Working Group, in order to ensure wide and transparent communication of any potential amendments to the Sukuk Reference Obligation Lists.
- 6) Markit RED Emerging Markets Trading Group members can propose changes to the existing lists or the creation of a new list (to include a newly traded Reference Entity) at any time.
- 7) Markit RED Emerging Markets Trading Group members will have the ability to veto, prior to the publication of a Sukuk Reference Obligation List, the inclusion of a Reference Entity or Reference Obligation on the basis that it does not satisfy the conditions of the Additional Provisions for Sukuk Reference Entities as published by ISDA.
- 8) Until a consensus is reached within the Markit RED Emerging Markets Trading Group, the Reference Entity or Reference Obligation will not be updated or added to a new or existing list.
- 9) Following the review of a Sukuk Reference Obligation List by the Markit RED Emerging Markets Trading Group, Markit, where possible, will arrange for the Reference Entity name to be legally verified and a 9-digit RED Code will be assigned to the list.
- 10) If the Entity or Obligation documents for a Reference Entity or Obligation are not available, Markit will inform the Markit RED Emerging Markets Trading Group that it is not possible to legally verify the Reference Entity or Obligation.
- 11) All Reference Obligations for each of the Reference Entities will be determined by the Markit RED Emerging Markets Trading Group, and a consensus will be sought to determine the entire list of Reference Obligations to be contained within the relevant Sukuk Reference Obligation Lists.
- 12) Markit will list those institutions that have actively participated in the formulation and composition of each annex. The name of each firm only will be included at the bottom of the updated annex.

#### **Amendments to the Sukuk Lists to list additional Reference Entities and Reference Obligations**

- 1) Any firm that participates in the Markit RED Emerging Markets Trading Group is able to propose the creation of a new Sukuk Reference Obligation List or the amendment of an existing one, to cater for the inclusion of additional Reference Entities or Obligations. Markit will then seek consensus within the Markit RED Emerging Markets Trading Group as to the inclusion of these.
- 2) Any additional Reference Entity, where possible, will be legally verified and assigned a 6-digit RED Code (for the entity) and a 9-digit RED Code will be assigned to the Sukuk Reference Obligation List.
- 3) Reference Obligations for any additional Reference Entities will be agreed by the Markit RED Emerging Markets Trading Group; until a consensus is reached the Reference Obligation(s) will not be updated or added to the list.
- 4) Markit shall monitor the legally verified Reference Entities and Reference Obligations for corporate events resulting in name change or bond redemption.



- 5) Markit will bring any discrepancies or changes to the Markit RED Emerging Markets Trading Group and the ISDA Operations Working Groups attention, who will decide on the best course of action.

Any queries relating to the Sukuk Reference Obligation Lists should be addressed to [red@markit.com](mailto:red@markit.com)

The data contained herein is subject to the attached IHS Markit Ltd disclaimer.

The data displayed here is the proprietary property of IHS Markit Ltd and may be used for informational and analytical purposes only. Unless you are in possession of a valid license, you may not (i) use the data for executing or processing trades in any way, including but not limited to, trade execution, trade matching, trade confirmation and trade settlement, (ii) copy, share, sell, distribute, redistribute, or otherwise make the data available to any other party or (iii) use the data contained herein in any other manner, or for other internal or external business purposes. To obtain a license, please contact IHS Markit Ltd on +44 (0)20 7260 2345 or [info@markit.com](mailto:info@markit.com).

The senders and recipients of this data acknowledge and agree that no duty of care is owed to them or to any other users by any Data Provider, and that use of the data creates no lawyer-client relationship between the user and/or any other user, and any Data Provider.

"Data Provider" means those persons who developed, compiled, prepared, revised, selected and arranged the Services (including without limitation certain information sources, professional advisors and other persons or entities that have participated in any respect in the development or collection of the Services or any data or information contained therein).

NEITHER MARKIT GROUP LIMITED, ITS AFFILIATES NOR ANY DATA PROVIDER OR OTHER PERSON OR ENTITY MAKES ANY WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE ATTAINED BY SUBSCRIBER OR OTHERS FROM THE USE OF THIS DOCUMENT, AND THERE ARE NO EXPRESS OR IMPLIED WARRANTIES OF CONDITION OF QUALITY OR ANY EXPRESS OR IMPLIED WARRANTY OF TITLE, NON-INFRINGEMENT, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. BY USE OF THIS DOCUMENT, YOU ACKNOWLEDGE THAT YOU HAVE NOT RELIED UPON ANY WARRANTY, GUARANTY OR REPRESENTATION MADE BY MARKIT GROUP LIMITED OR ANY OTHER PERSON OR ENTITY.

NEITHER IHS MARKIT LTD, ITS AFFILIATES NOR ANY OTHER PERSON OR ENTITY SHALL IN ANY WAY BE LIABLE TO THE USER OF THIS DOCUMENT OR ANY CLIENT OF SUCH USER FOR ANY INACCURACIES, ERRORS OR OMISSIONS, REGARDLESS OF CAUSE, IN THE INFORMATION AVAILABLE ON THIS DOCUMENT OR FOR ANY DAMAGES (WHETHER DIRECT OR INDIRECT) RESULTING THEREFROM. UNDER NO CIRCUMSTANCES WILL MARKIT GROUP LIMITED BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR LOST PROFITS DAMAGES WITH RESPECT TO THE USE OF THIS DOCUMENT OR THE INFORMATION AVAILABLE HEREIN, REGARDLESS OF WHETHER SUCH DAMAGES COULD HAVE BEEN FORESEEN OR PREVENTED.

Copyright © 2017, IHS Markit Ltd.