

The Sukuk sector is growing fast

Keep up to speed with developments

Advanced Sukuk & Islamic Securitization

15th – 17th December 2014
Dubai - UAE

Sukuk has emerged over the past 5 years as an increasingly important asset class. These products have a number of objectives: to offer a mechanism for the sharing of profits from a project or asset; to enable organizations to raise capital in a Sharia'a-compliant fashion; and to expand the investor bases for issuers and offering investment opportunities to new groups.

Considering their relative infancy, Sukuk may be structured in a number of increasingly complex ways. Indeed, new products are being continuously developed and further innovation is underway as Sukuk become more widely accepted and mainstream. Challenges, however, remain: issues concerning ratings, liquidity, Sharia'a, standardization, product acceptability and documentation all combine to ensure the development of Sukuk instruments is no straightforward task. Further complications have recently arisen due to a number of high profile defaults in the GCC. What have these events taught us about future Sukuk issuances and structures?

This is a highly practical, fully-revised 3 day course delivered by industry expert Abdulkader Thomas that will address all the above issues in detail. The program is conducted in a consultative fashion and all key concepts and structures are illustrated by a case study or an exercise. At various points during the course delegates are expected to work in groups to structure financing solutions for clients, and then present these ideas to the full class.

IN ASSOCIATION WITH

AIMS

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WHAT YOU WILL LEARN

- Compare and contrast between Sukuk, bonds and asset backed securities (ABS)
- Identify different type of Sukuk and debt capital market strategies applied in the market
- Examine various current issues related to Sukuk market-covering business, credit, legal, Sharia'a and other issues
- Analyze various deal term sheets to determine risks, legal status and enforcement rights of investors
- Structure suitable Sukuk solution to meet different financing and investment needs



COURSE OUTLINE

Day 1

Practical introduction to Islamic Capital Markets

- Key principles of Islamic investment & finance
- Review of the main principles establishing Sukuk
- Components, markets, players and growth of the market
- Overview of different Islamic tools

Sovereign Sukuk

- Why do sovereigns issue Sukuk?
- Case studies of different government Sukuk (Malaysia, Turkey, Qatar, Bahrain etc.) and techniques applied:
 - » Sale & leaseback
 - » Lease & leaseback
 - » Ground lease
 - » Constraints with using Ijarah
 - » Wakalah
- Case study of different Central Bank Sukuk
 - » Ijarah - will this be different from the sovereign structures?
 - » Salam for short term papers

General obligation/Corporate finance Sukuk

- What is the motivation to issue general obligation ("GO") Sukuk?
- Do all firms have capacity to issue GO?

- Selected case studies to demonstrate different structures & strategies:
 - I. Single underlying Sharia'a contracts
 - » Tawarruq - TAQA MYR Sukuk
 - » Musharakah - Emirates Sukuk vs. Business participation
 - » Mudarabah - Bin Laden vs. Business participation
 - » Wakalah Bil - Istithmar: General Electric, Etisalat/Axiata Sukuk (based on airtime) vs. Business participation
 - » SABIC & SCECO - how do we characterize these Sukuk?
 - II. Multiple Sharia'a contracts
 - » Tawarruq + Ijarah: Sukuk ALIM - Cagamas
 - » Murabaha + Mudarabah: GACA
 - » Wakalah + Murabaha: Khazanah RMB500m
 - » Majid Al-Futaim - how do we characterize this Sukuk?
- Business contracts (Musharakah, Mudarabah, Wakalah) vs. Asset based transaction - does it have the same risk and cost?

The case studies section will combine lecture, discussion, term sheet analysis and group exercises.

Day 2

Covered Sukuk

- What are covered Sukuk & why do firms issue these?
- Covered Sukuk vs. ABS - is there any difference?
- In which sectors are covered Sukuk common
- Selected case studies to demonstrate different structures & strategies:
 - » Mudarabah - Pasir Gudang
 - » Musharakah - KL Sentral
 - » Wakalah - Jafza vs. GE Sukuk
 - » Do we have a covered Ijarah or Murabaha Sukuk?
 - » Are all corporate Ijarah Sukuk secured?
- Term sheet analysis: TID, Dar Al-Arkan (lease vs. Wakalah style), Air Asia Sukuk - are these covered Sukuk? Why or why not?

Convertible/Exchangeable

- When is this option popular? Why?
- Selected case studies to demonstrate different structures & strategies:

- » Sabana - convertible Ijarah
- » Khazanah - Telekom, PLUS
- » Musharakah with warrant - how is this different from PCFC Musharakah?

Group Exercise: How to apply a convertible Sukuk to facilitate merger and acquisitions?

Construction & Project Finance

- Common issues for project finance Sukuk
- Managing cash flow and completion risks
- Selected case studies to demonstrate different structures & strategies:
 - » Tawarruq: TTM (Thailand), Tanjung Bin
 - » Ijarah + Istisnah
 - » Musharakah: Villamar vs. Satorp
 - » Mudarabah + Ijarah: PLSA

Group Exercise: Funding a BTO airport construction

Final Group Exercise: Sukuk for acquisition of petrochemical company



COURSE OUTLINE CONTD..

Day 3

Asset Backed Securitization Sukuk (ABS)

- Pre-requisite to facilitate ABS issuance
 - » True Sale & Bankruptcy Remoteness
- Challenges with ABS framework in emerging markets
- Why do firms issue ABS? Which type of business might prefer ABS issuances?
- Selected case studies to demonstrate different structures & strategies:
 - » Ijarah - ABS Logistic & Menara ABS - how are these different from the previous Sukuk Ijarah?
 - » Mudarabah: Sun Finance (Sorouh)
 - » Istithmar: Tamweel vs. ATS Leasing
 - » Musharakah: East Cameron vs. Musharakah One
- Case Analysis: Identify potential issues with different ABS experiments
- Group Exercise: Can we structure ABS based on Goods Murabaha?

Financial Institutions

- Why do financial institutions issue Sukuk?
- Selected case studies to demonstrate different structures & strategies:
 - » General Funding: IDB (Istithmar), EIB (co-ownership), HSBC (Mudarabah + Wakalah), Kuveyt Turk

- » Conventional banks issuing Sukuk: NBAD vs. Goldman Sukuk - why was one controversial?
- » Subordinated (Tier II) Sukuk - SHB (Mudarabah) vs. Maybank (Istithmar)
- » Tier I - ADIB (perpetual)

Group Exercise: Takaful Company Sukuk - what are suitable structures and what potential challenges do we face?

Restructuring & Refinance

- Does the original arrangement allow restructuring
- Do we use the asset of the company or do we use a different mechanism
- Restructuring balance sheet vs. Managing default
- Selected case studies to demonstrate different structures & strategies:
 - » Nakheel
 - » Global Investment House
 - » Malaysian Airlines: Musharakah with Musawwamah (perpetual)
 - » PLUS - Musharakah

Final Group Exercise



WHO SHOULD ATTEND

Islamic Bankers, Corporate Financiers, Investment Bankers, Corporate and Commercial Bankers, Private Bankers, Analysts, Portfolio Managers, Consultants & Lawyers, Investment Advisors, Regulators, Government representatives



ABOUT THE SPEAKER

Abdulkader Thomas
President and CEO, SHAPE™ Financial Corp

Abdulkader consults for financial institutions, regulators, and businesses about Islamic finance. Along with his team at SHAPE™, Abdulkader works on projects that include launching de novo Islamic banks and Islamic banking windows, policies and procedures including Sharia'a policies, Sharia'a compliance, product development and structuring. Clients include a diversified universe of financial institutions from North, the MENA region, Southeast Asia, Africa, America, and Europe. Abdulkader is a member of the International Advisory Committee for Islamic Capital Markets of the Securities Commission of Malaysia. He acts as moderator for the Islamic Finance News (MIF) Issuers and Investors Forum, an annual event produced by REDmoney Group highlighting capital markets activities for Islamic securities issuers and underwriters.

Abdulkader is director of Alkhabeer Capital (Jeddah) and Vice Chairman of Alkhabeer International (Bahrain). Abdulkader has over 30 years of diversified financial services experience. A graduate of The Fletcher School of Law & Diplomacy in international trade, Abdulkader earned a BA with honors in Arabic and Islamic studies from the University of Chicago. Based in Kuwait, Abdulkader has worked in Bahrain (Citibank & Credit Lyonnais); New York (United Bank of Kuwait); London (Islamic Investment Banking Unit of the United Bank of Kuwait); Washington, DC (Guidance Financial) and Los Angeles (Sumitomo Bank Limited). Prior to consulting, Abdulkader served as a senior line manager in various international banks and dealt with the regulatory approval of various Islamic products in different countries.

Abdulkader has also enjoyed a significant capital markets experience following stints in real estate finance and trade finance. Abdulkader is a frequent speaker and writer on Islamic financial and banking matters. He has co-authored or edited several works in the field including Structuring Islamic Financial Transactions with Stella Cox and Bryan Kraty (London: Euromoney, 2005); Islamic Bonds: Your Guide to Issuing, Structuring and Investing in Sukuk with Nathif Adam (London: Euromoney, 2004), Interest in Islamic Economics: Understanding Riba (Oxford: Taylor & Francis, 2005), Sukuk (London: Sweet & Maxwell, 2009), and Islamic Treasury & Derivative Operations.

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BOOKING DETAILS

I am booking:	Pricing
<input type="checkbox"/> 1 delegate	USD\$ 2,650
<input type="checkbox"/> 2 delegates	USD\$ 4,505
<input type="checkbox"/> 3 delegates	USD\$ 6,360

Early bird offer: registrations received before **15th November 2014** (or earlier) will receive a **2.5%** discount. No discounts shall be given to registrations received after this cut-off.

DELEGATE DETAILS

Name	Job Title	Email address	Telephone
1 _____ / _____ / _____ / _____			
2 _____ / _____ / _____ / _____			
3 _____ / _____ / _____ / _____			

WHO TO INVOICE AND CONTACT?

Please tell us who we should invoice. It is also helpful for us to have the name of an administrator with whom we can liaise directly.

Contact person for invoicing: Job Title:
Email: Tel: Fax:
Contact person to send administration details:
Job Title: Email: Tel:

Payment can be made by cheque or bank transfer. A notification will be sent to you once payment has been received.

I wish to pay by: Cheque/bankers draft Telegraphic transfer

Please note all telegraphic transfer fees, taxes and levies (domestic or otherwise) shall be borne by the sponsoring organization.

Payment made by foreign cheque will be charged additional bank fees of 1% of the invoice amount.

APPROVING MANAGER

To process your registration we require the name and signature of a manager who is authorized by your organization to approve training expenditure.

Name: Job Title:
Organization name: Email: Tel:

Authorizing signature.....(mandatory)

Yes, I have read and understood the booking and cancellation policy below.

SEND US YOUR REGISTRATION!

By email: dubaicourse@REDmoneygroup.com By fax: +971 4 431 4614 or +603 2162 7810

You may also **book online** at <http://www.islamicfinancetraining.com>

Please call us on: +971 4 427 3628 or +603 2162 7800 if you require assistance.

Our address is: (Dubai Office) - Level 3 X2 Tower, Jumeirah Lake Towers, Jumeirah Bay, Dubai, United Arab Emirates
(Kuala Lumpur Office) - Suite 22-06, 22nd Floor, Menara Tan & Tan, 207, Jalan Tun Razak, 50400 Kuala Lumpur

Booking, Payment and Cancellation Policy – important, please read carefully

By completing, signing and sending us this registration form you are confirming delegate places on the course. You are also confirming your understanding of our Booking, Payment and Cancellation Policy.

Cancellation: If delegates cannot attend the course replacement participants are always welcome. Where cancellations are received fifteen (15) or more days before the course start date refunds may be offered. No refunds shall be offered for cancellations received within fifteen days of the course start date. All cancellations must be made in writing.

Payment Terms: All course fees are to be received by NASDAQ Dubai before the course start date. NASDAQ Dubai shall receive the full course fee with no deductions of any kind. All telegraphic transfer fees, taxes and levies (domestic or otherwise) shall be borne by the sponsoring organization.

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Course Venue: Full details of the venue will be sent to you upon registration.