
DECLARATION OF TRUST DEED

MADE BY AND AMONGST

FGN ROADS SUKUK COMPANY 1 PLC

AND

THE FEDERAL GOVERNMENT OF NIGERIA

AND

FBNQUEST TRUSTEES LIMITED

AND

APEL CAPITAL AND TRUST LIMITED

Dated

2022

Prepared by:



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CONTENTS	PAGE
COMMENCEMENT AND RECITALS	1
CLAUSE 1 DEFINITIONS, INTERPRETATION AND COMMENCEMENT	2
CLAUSE 2 DECLARATION OF TRUST	8
CLAUSE 3 APPOINTMENT AND REMOVAL OF THE DELEGATE TRUSTEES	8
CLAUSE 4 DURATION OF TRUST	10
CLAUSE 5 THE SUKUK CERTIFICATE	10
CLAUSE 6 TITLE	11
CLAUSE 7 LISTING OF THE CERTIFICATES	11
CLAUSE 8 THE REGISTER	12
CLAUSE 9 TRANSFER OF SUKUK CERTIFICATES	12
CLAUSE 10 LIMITED RECOURSE	13
CLAUSE 11 AGREEMENT OF SUKUKHOLDERS	13
CLAUSE 12 RIGHTS OF SUKUKHOLDERS	14
CLAUSE 13 FUNCTIONS OF THE DELEGATE TRUSTEES	14
CLAUSE 14 POWERS OF THE DELEGATE TRUSTEES	15
CLAUSE 15 ISSUER/TRUSTEE'S COVENANTS	16
CLAUSE 16 DELEGATE TRUSTEES' COVENANTS	17
CLAUSE 17 FGN'S COVENANTS	18
CLAUSE 18 INDEMNITIES, RIGHTS AND DISCRETION OF DELEGATE TRUSTEES	20
CLAUSE 19 ENFORCEMENT AND EXERCISE OF RIGHTS	21
CLAUSE 20 PAYMENT AND DISTRIBUTIONS	21
CLAUSE 21 NOTICES	23
CLAUSE 22 TAXATION	23
CLAUSE 23 MEETING OF THE SUKUKHOLDERS	23
CLAUSE 24 AMENDMENT AND MODIFICATION	23
CLAUSE 25 GOVERNING LAW	24
CLAUSE 26 WAIVER OF INTEREST	24
CLAUSE 27 DISPUTE RESOLUTION	24
CLAUSE 28 TRANSPARENCY AND ANTI-CORRUPTION	25
SCHEDULE 1 PROVISIONS FOR MEETINGS OF SUKUKHOLDERS	26
SCHEDULE 2 PARTICULARS OF THE ROADS	34
EXECUTION PAGES	46

This DECLARATION OF TRUST DEED is made this [●] day of [●] 2022 by and amongst:

FGN ROADS SUKUK COMPANY 1 PLC, a public limited liability company incorporated under the laws of the Federal Republic of Nigeria with RC No. 1424371 and whose principal place of business is situated at NDIC Building (First Floor), Plot 447/448 Constitution Avenue, Central Business District, Garki, Abuja, FCT (hereinafter referred to as the “**Issuer/Trustee**”, which expression shall, where the context so admits, include its successors-in-title and assigns) of the first part;

AND

THE FEDERAL GOVERNMENT OF NIGERIA acting through the Honourable Minister of Works & Housing with its headquarters situate at Mabushi Abuja, FCT, (hereinafter referred to as the “**Obligor**” which expression shall, where the context so admits, include its successors-in-title and assigns) of the second part;

AND

THE FEDERAL GOVERNMENT OF NIGERIA acting through the Debt Management Office with its headquarters situate at NDIC Building (First Floor), Plot 447/448 Constitution Avenue, Central Business District, Garki, Abuja, FCT, (hereinafter referred to as the “**Originator**” which expression shall, where the context so admits, include its successors-in-title and assigns) of the third part;

AND

FBNQUEST TRUSTEES LIMITED a private limited liability company incorporated under the laws of the Federal Republic of Nigeria with RC No.29763 and whose principal place of business is situated at 10 Keffi Street, Off Awolowo Road, Ikoyi, Lagos State, Nigeria of the fourth part;

AND

APEL CAPITAL AND TRUST LIMITED, a private limited liability company incorporated under the laws of the Federal Republic of Nigeria with registration No. 199327, and whose principal place of business is situated at 8, Alhaji Bashorun Street, South-West Ikoyi, Lagos, Nigeria of the fifth part.

FBNQuest Trustees Limited and Apel Capital and Trust Limited may hereinafter be jointly referred to as the “**Delegate Trustees**” which expression shall, where the context so admits, include their respective successors-in-title, representatives, and assigns.

The Federal Ministry of Works and Housing may hereinafter be jointly referred to as the “**Obligor**” which expression shall, where the context so admits, include their respective successors-in-title, representatives, and assigns.

The Issuer/Trustee, Obligor, Originator and Delegate Trustee may hereinafter be referred to individually as a “**Party**” and collectively as the “**Parties**”.

WHEREAS

- A. The Federal Government of Nigeria acting through the Obligor with its necessary authorisations, is desirous of constructing [●] roads spread across the six geographical zones in Nigeria, as more particularly described in Schedule 2.
- B. Further to the foregoing, the Originator, proposes to fund the construction of the Roads (as defined in clause 1.1 below) through the issuance of Sukuk having a value of up to N[●] Naira), or such number as may be agreed by the Originator, to the public.
- C. The Sukuk shall be issued by the Issuer/Trustee, which is a special purpose vehicle, incorporated as a public limited liability company by the Federal Government of Nigeria.
- D. The Obligor have executed appropriate instruments to vest the rights, powers and control of the Trust Assets in the Issuer/Trustee.
- E. The Issuer/Trustee has entered into a Construction Agency Agreement with the Obligor dated on or about the date hereof, pursuant to which the Obligor will appoint contractors to construct and deliver the Roads to the Issuer/Trustee in accordance with the terms of the Construction Agency Agreement.
- F. The Issuer/Trustee shall, through this Declaration of Trust, vest the benefits of the Trust Assets in the Sukukholders and shall appoint the Delegate Trustees as its agents for the purpose of carrying out its obligations as Issuer/Trustee under this Deed.
- G. The Obligor have, under a Forward Ijara Agreement and a Purchase Undertaking, both dated on or about the date hereof: (i) contracted to lease the Roads and make the relevant lease rental payments for the benefit of the Sukukholders; and (ii) undertaken to purchase the Roads on the expiration of the lease period and pay the Purchase Price for the purchase of the Roads.
- H. The Parties have, therefore, entered into this Declaration of Trust to give effect to their common intentions and further wish to be bound by the terms and conditions here below stated.

NOW THIS DEED WITNESSES AS FOLLOWS:

1. DEFINITIONS, INTERPRETATION AND COMMENCEMENT

1.1 Definitions

The following terms shall bear the meanings set out next to them wherever used in this Deed:

“Allocated Lands” means the undeveloped lands being roads designated as federal highways transferred to the Lessor by the Lessee under the Letter of Allocation for construction and/or rehabilitation of Roads as more particularly described in Schedule 2;

“Anti-Bribery Laws” means all Nigerian laws and regulations relating to anti-bribery and corruption including but not limited to the Corrupt Practices and other Related Offences Act (Chapter C31) LFN 2004; the Criminal Code Act (Chapter C38) LFN 2004; the Penal Code Act (Chapter P3) LFN 2004; the Economic and Financial Crimes Commission (Establishment) Act (Chapter E1) LFN 2004; the Money Laundering (Prevention and Prohibition) Act 2022; the Advance Fee Fraud and Other Related Offences Act 2006; the Banks and Other Financial Institutions Act 2020 and any amendments and regulations thereto;

“Board of Directors” means the board of directors of the Issuer/Trustee;

“Business Day” means any day other than a Saturday, Sunday or national holiday, on which commercial banks in Nigeria are open for business;

“CAMA” means the Companies and Allied Matters Act 2020;

“Certificates of Completion” mean the respective certificates issued by the Project Management Consultant appointed by the Delegate Trustees and the Director of Highways Construction and Rehabilitation in the Federal Ministry of Works & Housing to the relevant Road Contractor, confirming the satisfactory completion of the relevant milestone of the Road construction works by such Road Contractor in accordance with the conditions and specifications stated in the relevant Construction Contract and **“Certificate of Completion”** shall be construed accordingly;

“Conditions” or “Terms and Conditions” means the terms and conditions in accordance with which the Sukuk will be issued as set out in the Prospectus;

“Construction Agency Agreement” means the agreement dated on or about the date of this Agreement between the Issuer/Trustee and the FGN for the appointment of contractors to construct and deliver the Roads to the Issuer/Trustee;

“Construction Contracts” means the agreements and side letters entered into by the Obligor and the respective contractors to which the relevant road construction works were awarded by the Obligor;

“CSCS” means the Central Securities Clearing Systems PLC or any other depository/custodian appointed by the Parties as the depository/custodian of the Sukuk Certificates;

“Custodian” means CSCS or any other depository appointed by the Parties as the custodian of the Sukuk Certificates;

“Deed” or **“Declaration of Trust”** or **“Trust Deed”** means this Deed of Declaration of Trust including any schedule thereto;

“Delegate Trustees” means:

- a. FBN Quest Trustees Limited;
- b. Apel Capital and Trust Limited; and/or
- c. such other person(s) as may be appointed by the Issuer/Trustee or the Originator to act as agent of the Issuer/Trustee in its capacity as Trustee;

“Dissolution Date” means the date on which the FGN would have purchased the Roads in accordance with the Purchase Undertaking subject to the payment of the Purchase Price which will be applied to redeem the Sukuk Certificates at the Dissolution Distribution Amount;

“Dissolution Distribution Amount” means the Purchase Price for the Roads payable upon the maturity of the Sukuk thereof as specified in the Purchase Undertaking or such relevant Transaction Document as the Parties may agree;

“Exchange” means The Nigerian Exchange Limited and/or the FMDQ Securities Exchange Limited;

“FGN” means the Federal Government of Nigeria acting either through the Honourable Minister of Works & Housing, the Debt Management Office or any other relevant agency of the Federal Government of Nigeria;

“Forward Ijara Agreement” means the agreement dated on or about the date of this Agreement to be entered into between the Issuer/Trustee as Lessor and the Obligor as Lessee, for the lease of the Roads;

“Government Authority” means any of the federal, state or local governments, within the Federal Republic of Nigeria, or any of their agencies, ministries or parastatals;

“Issue Proceeds Account” means the non-interest account with the Central Bank of Nigeria, into which the Subscription Amount received from the Sukukholders shall be deposited;

“Lease Assets” means the assets sought to be leased by the Lessee from the Lessor pursuant to the Forward Ijara Agreement;

“Lessee” means the FGN (represented by the Honourable Minister of Works & Housing), acting in such capacity as Lessee under the Forward Ijara Agreement;

“Lessor” means the Issuer/Trustee;

“Letters of Allocation” means the document by which the FGN through the Honourable Minister of Works and Housing, transfers to the Issuer, interest in the lands comprising of the Allocated Lands, for construction and/or rehabilitation as detailed in Schedule 2;

“LFN 2004” means the Laws of the Federation of Nigeria, 2004;

“Obligor” means the Federal Government of Nigeria acting through the Honourable Minister of Works & Housing in its capacity as lessee in the Forward Ijarah Agreement and promisor in the Purchase Undertaking;

“Originator” means the Federal Government of Nigeria acting through the Debt Management Office;

“Ownership Expenses” has the meaning given to the term in the Purchase Undertaking;

“Paying Agent” means the Central Bank of Nigeria (“CBN”) acting in such capacity on behalf of the FGN;

“Payment Date” means the date on which the Rental is paid by the FGN to the Sukukholders;

“Periodic Distribution Amount” means the Rental paid by the FGN, through the Paying Agent, to the Sukukholders;

“Periodic Distribution Date” means the date on which the Rental is payable to the Sukuk holders through the Paying Agent;

“Project Management Consultant” or **“PMC”** means the Project Management Consultant appointed by the Delegate Trustees to supervise the construction of the Roads and to carry out related matters;

“Prospectus” means the final prospectus dated [●] relating to the issuance of the Sukuk;

“Purchase Price” means the price at which the FGN will purchase the Roads, as indicated under the Purchase Undertaking, and calculated as the equivalent of the principal investment amount plus Ownership Expenses as defined in the Purchase Undertaking;

“Purchase Undertaking” means the deed poll made by the FGN, dated on or about the date of the Forward Ijara Agreement, undertaking to purchase the Roads from the Issuer/Trustee;

“Register” means with respect to each Sukuk, the books kept by the Registrar as evidence of the ownership, registration, transfers and/or other disposals of the Sukuk Certificates;

“Registrar” means the Central Bank of Nigeria;

“Rental” means the bi-annual payment by the FGN as the lessee to the Sukukholders for the use of the Roads as specified in the Prospectus;

“Roads” means the Allocated Lands, each of the roads being constructed, or proposed to be constructed, or which have been developed, but which requires rehabilitation by the Obligor, under the terms of the Construction Agency Agreement, and whose construction is proposed to be funded by the proceeds of the issuance of the Sukuk, the particulars of which are set out in detail in Schedule 2 to this Deed and any other road which the Parties may jointly agree to include as a Trust Asset from time to time; and **“Road”** shall be construed accordingly;

“Road Contractor” means an entity appointed by the Obligor to construct a road pursuant to a Construction Contract;

“Sale Undertaking” means the deed entered into by the Lessor on or about the date of the Forward Ijara Agreement, in which the Lessor undertakes to sell the Lease Assets to the Lessee on the terms of the sale undertaking;

“Sukuk Certificate” means the investment certificates of equal value issued by the Issuer/Trustee, representing the undivided beneficial ownership interest in the Trust Assets held by a Sukukholder, subject to the terms of this Declaration of Trust and the Conditions;

“Sukukholder” or **“Holder”** means the person in whose name a Sukuk Certificate is registered and whose name is, for the time being, entered into the Register and reflected in the records of the Registrar and the CSCS as the registered holder of a Sukuk (including those entered as joint holders);

“Sukuk” means the Sukuk constituted pursuant to the terms of this Trust Deed for an amount of up to [●] ([●] Naira only);

“Taxes” means any charges, fees, levies or assessments imposed by any Government Authority in Nigeria on all or any of the Trust Assets;

“Transaction” means the transaction as detailed in this Declaration of Trust and the other Transaction Documents;

“Transaction Documents” means all the agreements and documents which are to be prepared or executed in connection with the Transaction including but not limited to:

- a. the Letter(s) of Allocation;
- b. the Declaration of Trust;
- c. the Forward Ijara Agreement;
- d. the Purchase Undertaking;
- e. the Sale Undertaking;
- f. the Construction Agency Agreement;
- g. the Service Agency Agreement; and
- h. the Prospectus.

“Trust” means the trust declared by the Issuer/Trustee under the terms and conditions of this Deed over and in respect of the Trust Assets; and

“Trust Assets” means:

- a. the interest, rights, title, benefits and entitlements, present and future, of the Sukukholders represented by the Issuer/Trustee in, to and under the Roads and any proceeds from the Roads;
- b. the interest, rights, benefits and entitlements, present and future, of the Sukukholders represented by the Issuer/Trustee in, to and under the Transaction Documents;
- c. all moneys standing to the credit of the Issue Proceeds Account from time to time; and
- d. all proceeds of the foregoing.

1.2 Interpretation

In this Deed, unless otherwise so provided, the following rules shall apply:

- 1.2.1 words importing the singular shall include the plural and vice versa and words importing the masculine gender only shall include the feminine and neuter genders and words importing persons shall include corporations, associations, partnerships and governments (whether state or local), and

the words "written" or "in writing" shall include printing, engraving, lithography or other means of visible reproduction;

- 1.2.2 the headings to the clauses of this Deed are for convenience and reference purposes only and shall in no way govern or affect the interpretation of the terms of this Deed and neither shall it modify or amplify the terms of this Deed or any Clause hereof;
- 1.2.3 references to "include", or "includes" and the like shall be construed, in each case, as if followed by the words "but without limitation";
- 1.2.4 the use, in this Deed, of the terms "Clause" and "Schedule" shall mean a clause or schedule of this Deed unless otherwise expressly stated;
- 1.2.5 the words this "Deed," or "herein" shall mean this Deed dated the date first above written as may be amended, restated or varied from time to time, as distinct and separate from any other agreement;
- 1.2.6 all references to any enactment, other than a reference to any definition contained in any enactment shall be deemed to include a reference to any statutory modification or re-enactment thereof for the time being in force;
- 1.2.7 where any person is required by the terms of this Deed to consent to any matter, that requirement shall be construed as a requirement for such person to indicate its consent in writing with respect to the relevant matter;
- 1.2.8 references in this Deed to costs, charges and expenses shall unless otherwise provided or exempted by law, include any Value Added Tax or similar tax charged or chargeable in respect of such costs, charges and expenses;
- 1.2.9 any register, index, minute book of account, or accounting record required to be kept by this Deed shall be kept and inspection of such documents shall be allowed and copies shall be supplied in such form and manner and subject to such precautions as would from time to time be permissible or required if it were a register, index, minute book of account or accounting record required to be kept by CAMA and references to such records in this Deed;
- 1.2.10 where figures are referred to in this Deed in numerals and in words, if there is any conflict between the two, the words shall prevail;
- 1.2.11 where the day on or by which a payment is due to be made or an event due to occur, is not a Business Day, that payment shall be made and that event shall occur on the next succeeding Business Day; and
- 1.2.12 if part or all of any clause contained in this Deed is void or invalid or

would otherwise result in all or part of this Deed being void or invalid for any reasons whatsoever, then such part shall be severed from this Deed and shall not affect the validity or operation of any other provision of this Deed.

1.3 Commencement

This Agreement shall come into force on the date it is executed by the Parties hereto.

2. DECLARATION OF TRUST

The Issuer/Trustee hereby irrevocably and unconditionally declares that it holds all rights, title, interest and benefits, present and future, in, to and under the Trust Assets, upon trust absolutely for the Sukukholders pro rata, according to the face amount of the Sukuk Certificate held by each Sukukholder, in accordance with this Declaration of Trust and the Conditions of the Sukuk Certificates.

3. APPOINTMENT AND REMOVAL OF THE DELEGATE TRUSTEES

- 3.1 The Issuer/Trustee in its capacity as trustee hereby appoints the Delegate Trustees to act as its agent and to carry out all its functions as trustee under this Declaration of Trust.
- 3.2 By execution hereof, the Delegate Trustees have accepted and agreed to be bound by the powers, duties and obligations specifically set forth in this Declaration of Trust.
- 3.4 The fees of the Delegate Trustees shall be paid by the Originator in accordance with the terms of a fee letter entered into by the Originator and the Delegate Trustees.
- 3.5 The Delegate Trustees, in the exercise of the powers and discretion expressly vested in them under this Trust Deed, shall not be subject to any control by the Originator or Issuer/Trustee, and, in the absence of any gross misconduct or negligence, the Delegate Trustees shall not be responsible for losses, costs, expenses or damages that may result from the exercise of their discretion, provided that such exercise of discretion shall be to the benefit of the Sukukholders.
- 3.6 The Originator shall pay and reimburse the Delegate Trustees for all expenses they may reasonably, directly and necessarily, incur in the course of and for the purposes of performing their obligations under this Trust Deed. The Delegate Trustee shall consult with the Originator and seek necessary approvals before making any expense exceeding the sum of ₦50,000,000.00 (Fifty million Naira) in any calendar year.
- 3.7 Any or all of the Delegate Trustees may be removed by the Issuer on the happening of any of the following events:

- a. if the Delegate Trustee goes into liquidation (except a voluntary liquidation for the purpose of amalgamation or reconstruction) or if a receiver shall be appointed for the undertaking of the Delegate Trustee or any part thereof; or
 - b. the Delegate Trustee has failed to perform its duties satisfactorily or has done any act which is calculated to bring the Trust into disrepute; or
 - c. if the Sukukholders holding more than 75% (seventy-five per cent) of the outstanding Sukuk Certificates, deliver to the Issuer/Trustee a request in writing that the Delegate Trustees or any one of them should retire.
- 3.8 Prior to the removal of any of the Delegate Trustees, the Issuer/Trustee shall, if so required, use its best endeavours to appoint a new trustee that, in the Issuer/Trustee's reasonable opinion, has sufficient expertise and experience to discharge the duties imposed on the Delegate Trustee in this Trust Deed and in compliance with any procurement regulations which may be applicable. The Issuer/Trustee shall procure an undertaking from such new trustee to be bound by all the Conditions contained in the Prospectus.
- 3.9 Any of the Delegate Trustees may retire from its functions as agent of the Issuer/Trustee (in its capacity as trustee) under this Deed at any time by giving to the Issuer/Trustee at least 3 (three) months written notice of its intention to retire from office as Delegate Trustee. The retiring Delegate Trustee shall be entitled to its accrued fees up to the effective date of its retirement. In the event of any Delegate Trustee desiring to retire, the Issuer/Trustee shall use its best endeavours to appoint a new delegate trustee that, in the Issuer/Trustee's reasonable opinion, has sufficient expertise and experience to discharge the duties imposed on the Delegate Trustees in this Trust Deed within 3 (three) months of the written notice by the retiring Delegate Trustee of its intention to retire. The Issuer/Trustee shall procure an undertaking from such a new trustee to be bound by all the Conditions contained in the Prospectus.
- 3.10 Forthwith upon the retirement or removal of any of the Delegate Trustees, the retiring Delegate Trustee shall within 14 (fourteen) days hand over to the new trustee or the Issuer/Trustee (on behalf of the new trustee) all books and records of the Trust that are in its possession, or under its control, and render all reasonable assistance required for the successful handover to the new trustee.

4. DURATION OF TRUST

The Trust created by this Deed shall remain in full force and effect until the date on which, following the maturity of the Sukuk Certificates:

- i. the Issuer/Trustee and Delegate Trustees receive an unconditional confirmation in writing from the Registrar that the Dissolution Distribution Amount has been paid to the Sukukholders; and
- ii. the Issuer/Trustee and Delegate Trustees receive notice in writing from the Originator that title in the Roads are vested in the Obligor; and
- iii. the Originator receives an unconditional release in writing from the Issuer/Trustee and Delegate Trustees from all of the FGN's obligations under this Deed.

5. THE SUKUK CERTIFICATE

- 5.1 The Issuer/Trustee shall issue and offer the Sukuk in an aggregate nominal investment amount of up to [●] ([●] Naira) or such other amount as may be agreed by the Originator and the Issuer/Trustee.
- 5.2 The minimum investment amount shall be ₦10,000.00 (ten thousand Naira only) with subsequent subscription of 1,000.00 (one thousand Naira only) thereafter.
- 5.3 Each Sukuk Certificate represents an undivided ownership interest in the Trust Assets and will rank pari passu, without any preference, with the other Certificates.
- 5.4 Each Sukuk Certificate represents a limited recourse obligation of the Issuer/Trustee and Delegate Trustees.
- 5.5 Each Sukuk Certificate shall be issued by way of an offer for subscription through the Issuer/Trustee.
- 5.6 The Sukuk Certificates shall be issued only as fully paid.
- 5.7 All the terms and conditions contained in the Conditions shall be applicable to each Sukuk Certificate issued under this Declaration of Trust.
- 5.8 The Sukuk Certificates shall be issued in uncertificated (dematerialised, electronic or book-entry) form and registered in the Register. Each Sukuk Certificate shall be registered with a separate securities identification code with the CSCS or any other Custodian that may be appointed for that purpose.

- 5.9 Upon allotment, the Sukukholders will receive an E-allotment statement issued by the Registrar/CSCS/Custodian confirming the Sukukholder's aggregate interests in the Sukuk Asset. In the case of joint Sukukholders, the joint Sukukholders shall be entitled to only one E-allotment statement for Sukuk Certificates held jointly by them. Such statement shall be issued in the names of the joint Sukukholders and the delivery of a statement to one of the joint Sukukholders shall be sufficient delivery to all such Sukukholders.
- 5.10 Statements issued by the Registrar/CSCS/Custodian as to the aggregate value of the Sukuk Certificates standing to the credit of any Sukukholder shall be conclusive and binding for all purposes save in the case of manifest error and such person (or his/her legal representatives) shall be treated by the Issuer/Trustee, the Delegate Trustees and the Registrar/CSCS/Custodian as the legal owner of the Sukuk for all purposes.
- 5.11 The Sukukholders shown in the records of the Registrar/Custodian (or his/her legal representatives) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of this Deed.

6. TITLE

The registered Holder of any Sukuk Certificate will (except as otherwise required by law) be treated as the absolute owner of the Sukuk represented by the Sukuk Certificate for all purposes (whether or not any payment thereon is overdue and regardless of any notice of ownership, trust or any interest or any writing on, or the theft or loss of, the Sukuk Certificate) and no person will be liable for so treating the Holder of any Sukuk Certificate. The registered Holder of a Sukuk Certificate will be recognised by the Trustees as entitled to his Sukuk Certificate free from any equity, set-off or counterclaim on the part of the Issuer/Trustee against the original or any intermediate Holder of such Sukuk Certificate.

7. LISTING OF THE CERTIFICATES

Subject to the terms of the relevant Transaction Documents, upon election by the Originator and the approval of the Exchange, the Sukuk Certificates shall be listed on the Exchange and/or admitted to listing, trading and/or quotation by any other trading platform, securities exchange and/or quotation system as agreed by the Originator and the Delegate Trustees, subject to confirmation of commencement of work on the road project and draw-down from the Sukuk proceeds.

8. THE REGISTER

- 8.1 The Registrar shall establish and maintain the Register of the Sukukholders at such place and in such form as it considers adequate and shall enter therein the following particulars:
- i. the name and address of each Sukukholder;

- ii. the amount invested;
 - iii. the date of investment;
 - iv. the duration of the investment and the expected date of the maturity of the Sukuk;
 - v. the date on which the investor ceases to be a Sukukholder; and
 - vi. other details which the Delegate Trustees may consider necessary or desirable.
- 8.2 The Delegate Trustees shall not incur any liability or responsibility on account of any mistake by the Registrar in the Register. For the avoidance of doubt, the Registrar will be solely responsible for any liability arising out of any mistake in the Register, which evidences the ownership, registration, transfers and/or other disposals of the Sukuk Certificates.
- 8.3 Every Sukukholder shall promptly notify the Delegate Trustees and the Registrar in writing of any change of name or address and the Registrar shall alter the Register accordingly.
- 8.4 An interest in the Trust Asset shall be said to be acquired by a person when the interest of the Sukukholder has been entered into the Register by the Registrar.
- 8.5 No Sukukholder may require the transfer of a Sukuk Certificate to be registered during the period of 7 (seven) days ending on (and including) the due date for any payment of the Dissolution Distribution Amount.
- 9. TRANSFER OF SUKUK CERTIFICATES**
- 9.1 Transfer of the Sukuk Certificates, which will be issued in uncertificated form, shall be effected in accordance with the rules governing transfer of title in securities held by the CSCS/Custodian and/or any Exchange upon which the Sukuk Certificate is listed.
- 9.2 No Sukukholder may require the transfer of a Sukuk Certificate to be registered during the period of 2 (two) days ending on (and including) the due date for any payment of the Periodic Distribution Amount (as stated in Clause 20.2 of this Trust Deed).
- 9.3 Registration of any transfer of the Sukuk will be effected without charge by or on behalf of the Issuer/Trustee or the Registrar but upon payment (or the giving of such indemnity as the Issuer/Trustee or the Registrar may reasonably require) by the transferee in respect of charges which may be imposed by the CSCS/Custodian in relation to such transfer.

10. LIMITED RECOURSE

- 10.1. Proceeds of the Trust Assets are the sole source of payments on the Sukuk. The Sukuk do not represent an interest in or obligation of any other asset of the Issuer, the Delegated Trustees, the Originator, the Paying Agent, or their respective affiliates. Accordingly, the Sukukholders, by subscribing for or acquiring the Sukuk, acknowledge that they will have no recourse to any other assets of the Issuer or Delegate Trustees other than the Trust Assets.
- 10.2. The FGN in its respective capacity as Obligor and the Lessee, is obliged to make certain payments under the Transaction Documents to the Issuer/Trustee. The Delegate Trustees as agents of the Issuer/Trustee will have direct recourse against the FGN in its capacity as Obligor and the Lessee to recover such payments. The net proceeds of realisation of, or enforcement of, the Trust Assets may not be sufficient to make all payments due in respect of the Sukuk. If, following the distribution of such proceeds, there remains a shortfall in payments due under the Sukuk, subject to paragraph 11 of the Conditions, no Sukukholder will have any claim against the Issuer/Trustee (to the extent that the Trust Assets have been exhausted); the Obligor, the Lessee or the Delegate Trustee (to the extent that each fulfils all of its obligations under the Transaction Documents to which it is a party) or against any assets (other than the Trust Assets to the extent not exhausted) in respect of such shortfall, and any unsatisfied claims of the Sukukholders shall be extinguished. The Issuer, the Delegate Trustees and the Sukukholders shall only be entitled to deal with the Trust Assets as expressly permitted by the Transaction Documents, and the Terms and Conditions, and the sole right of the Delegate Trustees and, subject to paragraph 11 of the Conditions, the Sukukholders against the Lessee or the Obligor shall be to enforce their obligations in their respective capacities under the Transaction Documents.

11. AGREEMENT OF SUKUKHOLDERS

By purchasing the Sukuk Certificates, each Sukukholder is deemed to have agreed that notwithstanding anything to the contrary contained in the Declaration of Trust, the Conditions, or any Transaction Document that:

- a. no payment of any amount whatsoever shall be made by or due on the Sukuk Certificates, except from the Trust Assets;
- b. all payments due under the Sukuk Certificates shall be made by the Paying Agent as a direct obligation of the FGN, from the proceeds of the Trust Assets, in accordance with paragraph 4.2 of the Conditions;
- c. no recourse shall be had to the Delegate Trustees for the payment of any amount owing hereunder or under any Transaction Document, whether for the payment of any fee or other amount hereunder or any other obligation or claim arising out of or based upon the Transaction Documents, against any of the Issuer/Trustee, the Delegate Trustees or the Obligor (to the extent that the Trust Assets have been

exhausted following which all obligations of the Issuer, the Delegate Trustees and the Obligor shall be extinguished); and

- d. it will not institute, or join any other person in instituting, against the Issuer/Trustee or the Delegate Trustees, any bankruptcy, reorganisation, arrangement or liquidation proceedings or other similar proceedings under any bankruptcy or similar law.

12. RIGHTS OF SUKUKHOLDERS

- 12.1 Each Sukukholder shall have an undivided ownership interest in the Trust Assets and no Sukuk Certificate shall confer any interest or share in any particular part of the Trust Assets. No Sukukholder shall have a right to call for any partition or division of any portion of the Trust Assets by virtue of his/its ownership interest in the Trust Assets.
- 12.2 The Sukukholders shall not have any right against the Trustees in respect of their investments except such rights as are expressly conferred upon them by the Declaration of Trust, the Conditions or by any law, subsidiary legislation, regulation or any order of court.
- 12.3 A Sukukholder shall have the right to share in the benefits from the Trust Assets proportionate to the number of his/its ownership interests in the Trust Assets.
- 12.4 Only persons who have been duly registered in the Register maintained by the Registrar as Sukukholders shall have the right to be recognised as such.
- 12.5 A Sukukholder shall have the right to pledge, charge, mortgage, or otherwise offer his Sukuk Certificate as security for a debt, a loan or an obligation and in any such case the Sukukholder shall notify the Delegate Trustees, the Registrar and the CSCS/Custodian, in writing, of the pledge, charge, mortgage or obligation.

13. FUNCTIONS OF THE DELEGATE TRUSTEES

The Delegate Trustees will, in relation to the Sukuk Certificates, inter alia:

- a. ensure that title to all the Trust Assets is vested in the Issuer/Trustee;
- b. follow up with the Debt Management Office or other relevant government departments to ensure the timely payment of the Periodic Distribution Amount and/or the Dissolution Distribution Amount to Sukukholders;
- c. enforce the Trust Assets;
- d. ensure the collection and distribution of the proceeds of the Trust Assets in accordance with the terms of the Declaration of Trust and the Conditions;

- e. distribute the proceeds of any enforcement of the Trust Assets;
- f. take such other steps as are reasonably necessary to ensure that the Sukukholders receive the distributions to be made to them in accordance with the Transaction Documents and the Terms and Conditions;
- g. carry out all periodic and statutory filings required to be filed by the Issuer/Trustee with any relevant authority;
- h. ensure the proper administration and management of the Issuer/Trustee;
- i. appoint the Project Management Consultant to undertake an inspection and monitoring of the construction of the Roads in accordance with specifications and timelines in the Construction Agency Agreement;
- j. ensure, to the best of its ability, that the Roads are constructed within the timelines stated in Schedule 3 of the Construction Agency Agreement;
- k. issue a Certificate of Completion to each Road Contractor and ensure that the Road Contractors employed by the FGN are paid once the Certificate of Completion is issued;
- l. submit periodic reports to the CBN FRACE through the DMO on the utilisation of the Sukuk proceeds and the conditions for the Trust Assets bi-annually; and
- m. do all such things that are incidental to their powers and functions under this Declaration of Trust.

14. POWERS OF THE DELEGATE TRUSTEES

Without prejudice to the powers vested in the Delegate Trustees by this Deed or otherwise, the Delegate Trustees will have the following powers:

- a. to enter into and execute all contracts, deeds and documents and do all acts, matters or things which it may deem expedient for the purpose of giving effect to and carrying out the trusts, authorities, powers and discretions conferred upon the Issuer/Trustee and/or Delegate Trustees by this Deed, provided that where an expense exceeding ₦50,000,000.00 (fifty million Naira) in a calendar year would be incurred, the consent of the Originator shall be sought;
- b. to appoint, at its discretion, remove or suspend consultants, agents, servants and other delegates, and to determine the powers and

duties to be delegated to them and to pay such remuneration to them as it may think fit, subject to agreeing such remuneration with the Originator;

- c. to institute, conduct, defend, compound or abandon any legal proceeding concerning the affairs of the Trust and also to compound and allow time for payment or satisfaction of any debts due and of any claims or demands by or against the Trust;
- d. to settle or compromise any claim or demand by or against the Trust, and to refer any claim or demand by or against the Trust to arbitration and observe and carry out any actions required of them as Delegate Trustees;
- e. to make and give receipts, releases and other discharges for money payable to the Trust and for the claims and demands of the Trust;
- f. to maintain proper written financial records in respect of the activities of the Issuer/Trustee and cause those records to be audited and filed as may be required by any statute or regulation unless an express exception from these obligations, is issued by a competent authority, in favour of the Issuer/Trustee; and
- g. to determine who shall be entitled to sign on the Issuer/Trustee's behalf receipts, acceptances, endorsements, releases, contracts and documents.

15. ISSUER/TRUSTEE'S COVENANTS

The Issuer/Trustee, in its capacity as trustee under this Declaration of Trust hereby covenants that it shall not:

- a. do anything or carry out any activity not expressly permitted by its memorandum and articles of association;
- b. redeem or purchase any of its shares or pay any dividend or make any other distribution to its shareholders (excluding, for the avoidance of doubt, any consideration payable by the Issuer/Trustee to the FGN as contemplated by the Transaction Documents and/or the Terms and Conditions);
- c. use the proceeds of the issue of the Sukuk for any purpose other than as stated in the Transaction Documents;
- d. put to its directors or shareholders any resolution for, or appoint any liquidator for, its winding-up or any resolution for the commencement of any other bankruptcy or insolvency proceeding with respect to it;
- e. enter into any contract, transaction, amendment, obligation or liability that may be detrimental to the interest of the Sukukholders;

- f. co-mingle the Trust Assets with its assets or any other assets which it holds in trust for any person other than the Sukukholders;
- g. incur any indebtedness whatsoever, or give any guarantee in respect of any obligation of any person or issue any securities (or rights, warrants or options) except, in all cases, as contemplated in the Transaction Documents;
- h. secure any of its present or future indebtedness for borrowed money by any lien, pledge, charge or other security interest with the Trust Assets; or
- i. sell, lease, transfer, assign, participate, exchange or otherwise dispose of, or pledge, mortgage, hypothecate or otherwise encumber (by security interest, lien (statutory or otherwise), preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever or otherwise) (or permit such to occur or suffer such to exist), any part of (i) its title to the Trust Assets or any interest therein except pursuant to the Transaction Documents or (ii) its interests in any of the other Trust Assets except pursuant to the Transaction Documents.

16. DELEGATE TRUSTEES' COVENANTS

16.1 With respect to the Trust Assets, the Delegate Trustees covenant that, as long as the Sukuk are outstanding, they shall not:

- a. co-mingle the Trust Assets with their assets or any other assets but shall ensure that the Trust Assets are separately identified and segregated in their records and accounts and from other investments held for the benefit of any other party or for themselves;
- b. incur any indebtedness in any form whatsoever, or give any guarantee in respect of any obligation of any person or issue any securities (or rights, warrants or options) except, in all cases, as contemplated in the Transaction Documents;
- c. secure any of their present or future indebtedness for borrowed money by any lien, pledge, charge or other security interest with the Trust Assets;
- d. sell, lease, transfer, assign, participate, exchange or otherwise dispose of, or pledge, mortgage, hypothecate or otherwise encumber (by security interest, lien (statutory or otherwise), preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever or otherwise) (or permit such to occur or suffer such to exist), any part of (i) the Issuer/Trustee's title to the Trust Assets or any interest therein except pursuant to the Transaction

Documents; or (ii) the Issuer/Trustee's interests in any of the other Trust Assets except pursuant to the Transaction Documents;

- e. use the proceeds of the issue of the Sukuk for any purpose other than as contemplated in the Transaction Documents; and
- f. amend or agree to any amendment of any Transaction Document and/or the Terms and Conditions in a manner which is prejudicial to the rights of the Sukukholders.

16.2 With respect to the Trust Assets, the Delegate Trustees covenant that as long as the Sukuk are outstanding, they shall:

- a. act with diligence and prudence in the administration of the Trust;
- b. observe the utmost good faith in any transaction carried out on behalf of the Sukukholders; and
- c. avoid any conflict of interest with those of the Sukukholders.

17. FGN'S COVENANTS

17.1 The Originator, in its capacity as a shareholder of the Issuer/Trustee, covenants that:

- a. it shall ensure that the Delegate Trustees shall be entitled to appoint a majority of the directors on the Issuer/Trustee's Board of Directors.
- b. it shall exercise all voting rights and other powers of control available to it as a shareholder of the Issuer/Trustee to ensure that the Issuer/Trustee shall not perform or undertake to perform any of the following acts unless the prior approval in writing of the Delegate Trustees have been obtained:
 - i. a change of the company's name;
 - ii. any alteration of the memorandum of association with respect to the business or objects of the company;
 - iii. any alteration of the articles of association;
 - iv. the re-registration of the company from a public to a private company;
 - v. any reduction of the company's share capital;
 - vi. any variation of rights attaching to any class of shares;
 - vii. the winding up by the court at the instance of the company;

- viii. the voluntary winding up of the company;
- ix. any purchase by the company of any of its shares;
- x. the approval by the company of any financial assistance for purchase of any of its shares;
- xi. the approval of an arrangement on sale of the Issuer/Trustee's property during a members' voluntary winding up;
- xii. any provision for reserve liability capital;
- xiii. the payment of any dividend;
- xiv. the incorporation of any subsidiary of the Issuer/Trustee;
- xv. the transfer of any material assets of the Issuer/Trustee;
- xvi. any decision to enter into a merger with another entity;
- xvii. an application for judicial pre-insolvency hearings; and
- xviii. any decision to list the Issuer/Trustee on any recognised publicly traded stock exchange.

17.2. The Originator, as an agent of the FGN, hereby covenants to ensure that the FGN performs all of its obligations under this Declaration of Trust Deed and all the other Transaction Documents.

17.3 The Obligor hereby covenant to:

- a. transfer title in the relevant land, on which the Roads will be constructed, to the Issuer/Trustee and issue all requisite title documents, certificates, permits, license and any other document required to ensure that title in such land vests in the Issuer/Trustee and make the land available to the Issuer/Trustee for the construction of the Roads free of any payment, interference or encumbrance until the payment of the Dissolution Distribution Amount;
- b. enter into the Forward Ijara Agreement and all other Transaction Documents, to which it is a Party, and perform all of its covenants, duties and obligations under such Transaction Documents; and
- c. pay the Rental under the Forward Ijara Agreement on each Payment Date and the Purchase Price under the Purchase Undertaking.

17.4 The FGN hereby covenants to:

- a. ensure that the Central Bank of Nigeria pays all amounts due under any Transaction Document to the relevant beneficiary in accordance with the terms laid out in the Transaction Documents; and
- b. ensure that the Central Bank of Nigeria pays all monies due to the Sukukholders as at when due and be directly liable to the Sukukholders and the Delegate Trustees for the payments due to the Sukukholders.

18. INDEMNITIES, RIGHTS AND DISCRETION OF DELEGATE TRUSTEES

Without prejudice to any indemnity allowed by law or elsewhere herein given to the Delegate Trustees, the following provisions shall apply:

- a. The Delegate Trustees shall not be responsible for the authenticity of any transfer of a Sukuk Certificate by any Sukukholder to another party.
- b. The Delegate Trustees shall not incur any liability to the Sukukholders for doing or failing to do any act or thing which, by reason of any provision of any present or future law or regulation made pursuant thereto or of any decree order or judgment of any court or by action (whether of binding legal effect or not), may be taken or made by any person or body acting with or purporting to exercise the authority of any government (whether legally or otherwise) where the Delegate Trustees shall be directed or requested to do or perform or to forbear from doing or performing.
- c. The Delegate Trustees shall be entitled to require that the signature of any Sukukholder or joint Holder to any document required to be signed by him/it under or in connection with this Deed, be authenticated to their reasonable satisfaction.
- d. The Delegate Trustees shall not be liable to account to any Sukukholder or otherwise for any payment made or suffered by the Delegate Trustees, the Originator or any person acting under their authority, in good faith nor to any duly empowered fiscal authority of Nigeria or elsewhere for Taxes arising out of or relating to any transaction of whatsoever nature under these presents notwithstanding that any such payments need not have been made or suffered.
- e. The Delegate Trustees shall, as regards all the powers and discretion vested in them by this Deed, have absolute and uncontrolled discretion as to the exercise or non-exercise thereof and in the absence of fraud and negligence, the Delegate Trustees shall not in

any way be responsible for any loss, costs or damages that may result from the exercise or non-exercise thereof.

- f. The Delegate Trustees may act upon the advice, statement or information obtained from stockbrokers, accountants, lawyers, bankers or other persons believed by the Trustees, in good faith, to be experts in the matters on which they have been consulted, and the Delegate Trustees shall not be liable for anything done or omitted or suffered to be done by them in reliance upon such advice statement or information.
- g. The Delegate Trustees shall not be responsible for any misconduct, mistake, oversight or error or want of judgment or want of prudence on the part of any lawyer, banker, accountant, broker or other person acting hereunder as agent or adviser of the Delegate Trustees, save to the extent that such agent or adviser was acting on the instruction of the Delegate Trustees and within the course and scope of its appointment. PROVIDED that the Delegate Trustees shall be entitled to be indemnified by such agent or adviser.
- h. If for any reason it becomes impossible or impracticable to carry out any of the provisions of this Deed, neither of the Delegate Trustees shall be under any liability thereof or thereby. None of the Delegate Trustees shall incur liability for any error of law, in the absence of fraud or negligence, in connection with any matter or thing done or suffered to be done or omitted to be done by them in good faith.
- i. The Delegate Trustees shall not be required to expend or risk their own funds or otherwise incur any liability in the performance of their duties or in the exercise of their rights or powers as trustees.

19. ENFORCEMENT AND EXERCISE OF RIGHTS

- 19.1 Following the distribution of the proceeds of the Trust Assets in respect of the Sukuk Certificates to the Sukukholders, in accordance with the Conditions and the Declaration of Trust, the Delegate Trustees shall not be liable for any further sums and, accordingly, the Sukukholders may not take any action against the Delegate Trustees (to the extent that they have fulfilled their obligations under the Transaction Documents and/or the Terms and Conditions) to recover any such sum in respect of the Sukuk Certificates or the Trust Assets.
- 19.2 Upon the payment of all Rental and the Dissolution Distribution Amount, the obligations of the Issuer/Trustee in respect of the Sukuk Certificates shall be satisfied and no Holder of the Sukuk Certificates may take any further steps against the Issuer/Trustee to recover any further sums in respect of the Sukuk Certificates and the right to receive any such sums unpaid shall be extinguished. In particular, no Holder of the Sukuk Certificates shall be entitled in respect thereof to petition or to take any other steps for the winding-up of the Issuer/Trustee.

20. PAYMENT AND DISTRIBUTIONS

20.1 Payment Conditions

- a. The FGN hereby undertakes to pay directly, through the Paying Agent, all payments due to the Sukukholders under this Deed.
- b. Payments of Periodic Distribution Amounts or the Dissolution Distribution Amount in respect of each Sukuk Certificate shall be paid to the person shown on the Register at the close of business on the Business Day before the due date for payment thereof (“Record Date”).
- c. Payments of Periodic Distribution Amounts or the Dissolution Distribution Amount in respect of each Sukuk Certificate shall be made in Naira by transfer to an account in Naira maintained by the Sukukholder with an authorised bank in Nigeria.
- d. All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment.
- e. No commission or expenses shall be charged to the Sukukholders in respect of such payments.
- f. If any date for payment in respect of any Sukuk Certificate is not a business day, the Holder shall not be entitled to payment until the next following business day nor to any profit or other sum in respect of such postponed payment.

20.2 Periodic Distribution Amounts

- a. A rental distribution shall be payable in arrears in respect of the Sukuk Certificates on each Periodic Distribution Date at the Rental.
- b. The Periodic Distribution Amounts shall be distributed to Sukukholders by the Paying Agent on behalf of the FGN, pro rata to their respective holdings, out of amounts payable by the FGN under the Forward Ijara Agreement.
- c. Each Sukuk Certificate will cease to be eligible to earn Periodic Distribution Amounts from the Dissolution Distribution Date.

20.3 Dissolution Distribution Amounts

- a. Pursuant to the Purchase Undertaking, the Obligor have undertaken to purchase the Roads at the Purchase Price.

- b. Upon the purchase of the Roads by the Obligor under the Purchase Undertaking, the Paying Agent shall pay the Dissolution Distribution Amount to the Sukukholders pro rata to their respective holdings.

20.4 Dissolution of the Trust

- a. Unless previously redeemed, or purchased and cancelled, in full, as provided below, each Sukuk Certificate shall be finally redeemed on the Dissolution Date at the Dissolution Distribution Amount, and, upon the payment of such amount to Sukukholders, the Trust shall dissolve, the Sukuk Certificates shall cease to represent interests in the Trust Assets and no further amounts shall be payable in respect thereof and none of the Issuer/Trustee, the FGN and Delegate Trustees shall have any further obligations in respect thereof.
- b. Where an Event of Default occurs, the Delegate Trustees shall exercise the powers and rights conferred on the Lessor under Clause 9 of the Forward Ijara Agreement.

21. NOTICES

All notices to Sukukholders will be valid if:

- a. published in at least two (2) daily newspapers with national coverage; and
- b. emailed to them; or
- c. sent by registered post to their registered address.

The Delegate Trustees shall also ensure that notices are duly given or published in a manner which complies with the rules and regulations of any stock exchange on which the Sukuk Certificates are for the time being listed. Any notice shall be deemed to have been given on the day after being so mailed or on the date of publication or, if so published more than once or on different dates, on the date of the first publication.

22. TAXATION

In accordance with the provisions of the relevant tax legislation, payments in respect of the Sukuk shall be made without withholding or deduction of any Taxes of whatever nature imposed or levied by or in the Federal Republic of Nigeria.

23. MEETINGS OF SUKUKHOLDERS

The rights and duties of the Sukukholders in respect of attendance at meetings of Sukukholders are set out in Schedule 1 to this Deed (Provisions for Meetings of Sukukholders). Decisions taken at Sukukholders meetings may only be exercised by the Delegate Trustees in accordance with the Deed.

24. AMENDMENT AND MODIFICATION

All the Parties shall be entitled by deed supplemental hereto to modify, alter, or add to the provisions of this Deed in such manner and to such extent as they may consider expedient for any purpose PROVIDED that unless the Delegate Trustees shall certify in writing that in their opinion such modification, alteration, or addition does not prejudice the interests of the Sukukholders, no such modification, alteration, or addition shall be made without the sanction of an Extraordinary Resolution of a Meeting of Sukukholders duly convened and held in accordance with the provisions contained in Schedule 1 hereto; and PROVIDED also that no such modification, alteration or addition shall impose upon any Sukukholder any obligation to make any further payment in respect of his/its Sukuk Certificate(s) or to accept any liability in respect thereof.

25. GOVERNING LAW

- 25.1 This Agreement and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the laws of the Federal Republic of Nigeria.
- 25.2 The Parties agree that the provisions of this Agreement shall also be governed by the provisions Islamic commercial jurisprudence and are satisfied that this Agreement complies with applicable Islamic law of commercial transactions.

26. WAIVER OF INTEREST

- 26.1 Each Party irrevocably agrees that no interest will be payable or receivable under or in connection with this Agreement and in the event that it is determined that any interest is payable or receivable in connection with this Agreement by a Party, whether as a result of any judicial award or operation of any applicable law or otherwise, such Party agrees to waive any right it may have to claim or receive such interest.
- 26.2 For avoidance of doubt, nothing in this Clause 26 (Waiver of Interest) shall be construed as a waiver of rights in respect of the Rental or any other amounts payable by the Obligor pursuant to this Agreement, howsoever

such amounts may be described or re-characterised by any court or arbitral tribunal.

27. DISPUTE RESOLUTION

- 27.1 In the event of any allegation of breach or question of interpretation or dispute or controversy relating to this Agreement, the parties to the dispute shall meet and negotiate in good faith with a view to settling the matter amicably. If the parties are unable to settle the matter or dispute within 2 (two) weeks after the afore-mentioned meeting, then the matter or dispute shall be referred to an arbitration panel (appointed in accordance with Clause 27.2 below), whose decision shall be final and binding on the Parties.
- 27.2 Each Party to the dispute shall be entitled to appoint an arbitrator and the two party-appointed arbitrators shall appoint a third arbitrator who shall be knowledgeable in Islamic law of commercial transactions. If either Party to the dispute fails to nominate an arbitrator within 5 (five) days of receiving the notice of the appointment of an arbitrator by the other party, the President of the Chartered Institute of Arbitrators, Nigeria shall, at the request of either Party to the dispute, appoint an arbitrator on behalf of the defaulting party. If the first and second arbitrator appointed fail to agree upon the appointment of a third arbitrator within 5 (five) days of the appointment of the second arbitrator, the third arbitrator shall at the request of either party be appointed by the President of the Chartered Institute of Arbitrators, Nigeria.
- 27.3 The arbitral proceedings shall be conducted in the Federal Capital Territory, Abuja, Nigeria in English Language and shall be governed by the Arbitration and Conciliation Act, Chapter A18, LFN 2004.
- 27.4 The arbitral award shall be binding on the Parties to the dispute and the cost of the arbitration shall be borne as determined by the arbitrators. Each Party to the dispute, however, shall bear its legal fees.
- 27.5 The arbitral panel shall have a maximum number of 20 (twenty) Business Days, following the exchange of pleadings by the Parties to the dispute, to resolve the dispute; failing which the Parties to the dispute can institute claims at any competent court of law.
- 27.6 Each party hereby agrees that this Agreement is founded on the principle of interest-free and each party agrees to donate any penalty interest arising from any judgment or award to charity provided that neither of the parties shall stand to benefit from such an award.

28. TRANSPARENCY AND ANTI-CORRUPTION

- 28.1 The Parties agree that they will, at all times in connection with and throughout the course of the Agreement and thereafter, comply with and take reasonable measures to ensure that their subcontractors, agents or other third parties, subject to their control or determining influence, comply

with all Anti-Bribery Laws which are hereby incorporated by reference into this Agreement, as if written out in this Agreement in full.

- 28.2 No part of the proceeds of the Trust Assets will be used, directly or indirectly, for any payments to any person including any governmental official or employee, political party, official of a political party, candidate for political office, official of any private organisation or anyone else acting in an official or other capacity in violation of any Anti-Bribery Laws.

29. SHARIA COMPLIANCE

At all times the Parties are satisfied that this Agreement and the Sukuk structure comply with applicable Islamic law of commercial transactions, and each Party agrees that it will not at any time, seek to challenge the enforceability of this Agreement for reasons of non-compliance with Islamic law principles or non-applicability of Islamic law.

SCHEDULE 1

(PROVISIONS FOR MEETINGS OF SUKUKHOLDERS)

1. Who may convene Meetings

The Issuer/Trustee and Delegate Trustees may at any time, at their discretion, and, on the requisition in writing of the Sukukholders holding not less than 1/10th (one-tenth) of the nominal amount of the Sukuk and upon being indemnified to its satisfaction by the Originator against all reasonable costs and expenses to be thereby incurred, convene a meeting or meetings of the Sukukholders to discuss and determine any matter affecting their interests. Any such meeting shall be held at such place as the Delegate Trustees shall determine or approve in writing.

2. Notice of Meetings

2.1 A meeting shall be convened by the giving of at least 21 (twenty-one) clear days' written notice to all Sukukholders (specifying the agenda at the meeting). The procedure of and regulations for such a meeting of the Sukukholders shall be in accordance with this Schedule.

2.2 A meeting may be called after giving shorter notice than that specified in paragraph 2.1 if consent is accorded thereto by Sukukholders holding not less than 75% (seventy-five per cent) of the nominal amount of the Sukuk.

3. Content and Manner of Service of Notice

3.1 Every notice of a meeting shall specify the place and the day and hour of the meeting and shall contain a statement of the business to be transacted and the terms of every Extraordinary Resolution to be proposed thereat or state fully the effect on the Sukukholders of such resolution, if passed. Provided that there shall be annexed to every notice convening a meeting of the Sukukholders, a statement setting out the material facts concerning each item of business and where any item of business consists of granting approval to any document by the meeting the time and place where the documents can be inspected shall be specified in the statement aforesaid.

3.2 Notice of every meeting shall be given:

3.2.1 to every Sukukholder in the manner specified for the service of notices in Clause 21 of the Declaration of Trust;

3.2.2 to the person entitled to the Sukuk in consequence of the death, bankruptcy, insolvency, winding-up or dissolution of the relevant Sukukholder addressed by name or by the title of the representative of the deceased or assignee of the insolvent or by any like description to the address (if any) supplied for the purpose by the person claiming to be so entitled, or until such an address has been so supplied by giving

the notice in any manner in which it might have been given if the death, insolvency, winding-up or dissolution had not occurred;

3.2.3 to the Delegate Trustees;

3.2.4 to the Originator when the meeting is convened by the Delegate Trustees; and

3.2.5 to the Delegate Trustees when the meeting is convened by the Originator.

3.3 The accidental omission to give notice to or the non-receipt of notice by any Sukukholders or other person to whom it should be given or an error or omission in a notice with respect to the place, date, time or general nature of the business of a meeting shall not invalidate the proceedings of the meeting, unless the officer responsible for the error or omission acted in bad faith or failed to exercise due care and diligence, provided that in the case of accidental error or omission, the officer responsible shall effect the necessary correction before or during the meeting.

4. Quorum for Meeting

4.1 No businesses shall be transacted at any meeting unless the requisite quorum has been met and:

4.1.1 At least $\frac{1}{2}$ (half) of the number of Delegate Trustees and Sukukholders for the time being are present when the meeting proceeds to business; or

4.1.2 In the case of a meeting convened by the Originator, the Originator and $\frac{1}{2}$ (half) of the number of the Delegate Trustees and Sukukholders for the time being are present when the meeting proceeds to business.

4.2 Any 2 (two) or more persons present or represented by proxy and holding at least $\frac{3}{5}$ th (three-fifth) of the nominal amount of the Sukuk.

4.3 Where the business of the meeting includes the consideration of an Extraordinary Resolution (as defined below), the necessary quorum shall be 2 (two) or more persons present or represented by proxy and holding in aggregate at least $\frac{3}{4}$ th (three-fourth) of the nominal amount of the Sukuk for the time being outstanding.

4.4 Where a meeting (whether a meeting to consider an Ordinary Resolution (as defined below) or an Extraordinary Resolution) is adjourned for lack of quorum, two or more persons present or represented by proxy and holding in aggregate not less than $\frac{3}{5}$ th (three-fifth) of the nominal amount of the Sukuk for the time being outstanding, shall remain the quorum for such a reconvened meeting.

4.5 If within half an hour from the time appointed for holding the meeting a quorum is not present, the meeting, if called upon by the requisition of Sukukholders,

shall stand dissolved. In any other case the meeting shall stand adjourned to such day and time not being less than 7 (seven) days thereafter and to such place as the chairman may determine.

- 4.6 At least 7 (seven) days' notice of any adjourned meeting shall be given in the same manner as for an original meeting, but it shall not be necessary to specify in such notice the business to be transacted at the adjourned meeting as the business of such an adjourned meeting will be same as that of the original meeting.

5. Chairman of Meeting

Such person nominated by the Delegate Trustees in writing shall be entitled to take the chair at every meeting and if no such nomination is made or if at any meeting the person nominated shall not be present within 15 (fifteen) minutes after the time appointed for holding the meeting, the Delegate Trustees may appoint a Sukukholder present at the meeting to act as chairman for that meeting.

6. Persons Entitled to Attend Meeting

The Delegate Trustees, their lawyers and financial advisers and any director or officer of the Issuer/Trustee (if invited by the Delegate Trustees) and any other person authorised in that behalf by the Delegate Trustees may attend and speak at any meeting but shall not be entitled to vote thereat.

7. Evidence of Passing of Resolution

At any meeting a resolution or any question put to the vote of the meeting shall be decided on a show of hands unless a poll is demanded in the manner hereinafter mentioned, and unless a poll is so demanded a declaration by the Chairman that on a show of hands the resolution has been carried either unanimously or by a particular majority or lost or not carried either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the meeting, shall be conclusive evidence of that fact without proof of the number or proportion of the votes cast in favour of, or against such resolution.

8. Demand for Poll

- (a) Before or on the declaration of the result of the voting on any point or question on a show of hands, a poll may be ordered to be taken by the Chairman of the meeting on his own motion, and shall be ordered to be taken by him on demand made in that behalf by the Delegate Trustees or any Sukukholder or his proxy having the right to vote on the resolution and present in person.
- (b) The demand for a poll may be withdrawn at any time by any person or persons who made the demand.

9. Time of Taking Poll

- (a) A poll demanded on a question of adjournment shall be taken forthwith.
- (b) A poll demanded on any other question (not being a question relating to the election of a Chairman as provided for in Provision 5 hereof) shall be taken at once but where this is not practicable in such manner and at such time not being later than 30 (thirty) days from the time when the demand was made as the Chairman may direct.
- (c) The demand for a poll shall not prevent the continuance of the meeting from the transaction of any business other than the resolution or question on which the poll has been demanded.

10. Votes

On a show of hands, every Sukukholder who (being an individual) is present in person or by proxy or (being a body corporate) is present by its duly authorised representative shall have one vote, and on a poll every Sukukholder who is present in person or by proxy shall have 1 (one) vote in respect of every Sukuk of which he is the holder.

11. Representatives of Corporate Bodies

Any corporate body which is a Sukukholder may by writing under the hand of a duly authorised officer authorise such person as it thinks fit to act as its representative at any meeting of the Sukukholders and the person so authorised shall be entitled to exercise the same powers on behalf of the body corporate which he represents as that body corporate could exercise if it were an individual Sukukholder.

12. Proxies

- 12.1 The registered holder of the Sukuk or in case of joint holders the one named first in the Register shall be entitled to vote in respect thereof either in person or by proxy and in the latter case as if such joint holder was solely entitled to such Sukuk. A registered holder of the Sukuk shall be entitled to appoint another person (whether a Sukukholder or not) as his proxy to attend and vote instead of himself.
- 12.2 In every notice calling a meeting of the Sukukholders, there shall appear with reasonable prominence a statement that a Sukukholder entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and that a proxy need not be a Sukukholder.
- 12.3 The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarised copy of the power of authority, shall be deposited at such place as may be specified in the notice convening the meeting or if no place is so specified then at the office of the Registrar for the time being, not less than (48) forty-eight hours before the time appointed

for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or in the case of a poll not less than 24 (twenty-four) hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid.

12.4 The instrument appointing a proxy shall:

12.4.1 be an instrument in writing in English language and in usual common form or such other form as the Delegate Trustees may approve; and

12.4.2 be signed by the Sukukholder so appointing or his attorney duly authorised in writing or if the Sukukholder so appointing is a body corporate be under its seal or be signed by an officer or any attorney duly authorised by it.

12.5 No instrument appointing a proxy shall be valid after the expiration of 12 (twelve) months from the date named on it as the date of execution. An instrument appointing a proxy shall be deemed to confer authority to demand or to join in a demand for a poll.

12.6 Every Sukukholder entitled to vote at a meeting of Sukukholders or on any resolution to be moved thereat shall be entitled, during the period beginning 24 (twenty-four) hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect by himself or through a duly authorised person, the proxies lodged at any time during the business hours of the Delegate Trustees, provided that not less than 3 (three) days' notice in writing of the intention so to inspect is given to the Delegate Trustees.

12.7 A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Delegate Trustees at its registered office before the commencement of the meeting or adjourned meeting at which the proxy is used.

13. Entitlement of Sukukholders to Vote Differently

On a poll taken at a meeting of Sukukholders, a Sukukholder entitled to more than 1 (one) vote, or his proxy or other person entitled to vote for him as the case may be need not, if he votes, use all his votes or cast all his votes in the same way.

14. Scrutineers at Poll

14.1 Where a poll is to be taken the Chairman of the meeting may appoint 2 (two) scrutineers to scrutinize the votes given on the poll and to report thereon to him.

14.2 The Chairman shall have power at any time before the result of the poll is declared to remove a scrutineer from office and to fill vacancies in the office of

scrutineer arising from such removal or for any other cause.

- 14.3 Of the 2 (two) scrutineers appointed under this clause, one shall always be a Sukukholder (not being an officer or employee of the Issuer/Trustee) present at the meeting, provided that such a Sukukholder is available and willing to be appointed.

15. Manner of Poll and Result Thereof

The Chairman of the meeting shall have power to regulate the manner in which a poll shall be taken.

16. Power to Adjourn Meeting

The Chairman of a meeting of the Sukukholders may in case of a development requiring an adjournment, with the consent of (and shall if directed by) any such meeting at which a quorum is present, adjourn the same from time to time and from place to place, provided that no business shall be transacted at any such adjourned meeting other than the business which might lawfully have been transacted at the meeting from which the adjournment took place.

17. Casting Vote

In the case of equality of votes whether on a show of hands or a poll the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote in addition to the votes to which he may be entitled as or on behalf of a Sukukholder.

18. Chairman to be Sole Judge

The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting, and the Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

19. Meaning of Ordinary and Extraordinary Resolution

19.1 Extraordinary Resolution means:

A resolution shall be deemed an Extraordinary Resolution if the same shall be passed by a majority consisting of not less than three-fourths (3/4th) of the persons present and voting at a meeting of Sukukholders upon a show of hands, or if a poll is demanded, by Sukukholders holding not less than 3/4th (three-fourths) in value of the Sukuk held by the Sukukholders present or represented by proxies at the meeting.

19.2 **Ordinary Resolution** means:

- 19.2.1 a resolution passed at a meeting duly convened and held in accordance with this Schedule by a majority consisting of not less than a simple majority of the persons present or represented by proxies at the meeting and voting thereat upon a show of hands;
- 19.2.2 Where a poll is duly demanded in a meeting, the result of the poll shall be deemed to be an Ordinary Resolution if it has been passed by a majority consisting of not less than a simple majority in value of the total Sukuk held by the Sukukholders present or represented by proxies at the meeting;
- 19.2.3 a resolution in writing signed by or on behalf of the Sukukholders of more than 50% (fifty per cent) of the Sukuk which resolution may be contained in one document or in several documents in like form each signed by the Sukuk holders holding more than 50% (fifty per cent) of the Sukuk.

20. **Power of General Meeting**

A meeting of the Sukukholders shall *inter alia* have the following powers exercisable by Extraordinary Resolution:

- a. to sanction the release of the Obligor from all or any part of its obligations to pay the principal monies and any other sums owing upon the Sukuk;
- b. to sanction any modification or compromise or any agreements in respect of the rights of the Sukukholders against the Obligor whether such rights shall arise under these presents or otherwise;
- c. to assent to any modification of the provisions contained in the Declaration of Trust proposed or agreed by the Obligor;
- d. to authorise and empower the Delegate Trustees to concur in and execute and do all such deeds, instruments, acts and things as may be necessary to carry out and give effect to any Extraordinary Resolution;
or
- e. to give any release to the Delegate Trustees in respect of anything done or omitted to be done by the Delegate Trustees hereunder before the giving of the release.

21. **Resolution Binding**

A resolution passed at a meeting of the Sukukholders duly convened and held in accordance with clause 19.1 or 19.2 above shall be binding upon all the Sukukholders whether present or not present at such meeting and whether or

not voting, and each of the Sukukholders shall be bound to give effect thereto accordingly, and the passing of any such resolution shall be conclusive evidence that the circumstances justify the passing thereof, the intention being that it shall rest with the meeting to determine without appeal whether or not the circumstances justify the passing of such resolution. Notice of the result of any resolution duly considered by the Sukukholders shall be published by the Delegate Trustees (with the approval of the Issuer/Trustee) within 14 (fourteen) days of such result being known, provided that the non-publication of such notice shall not invalidate such result.

22. Minutes

Minutes of all resolutions and proceedings at such meeting as aforesaid shall be made and duly entered in the books, to be provided from time to time for that purpose by the Delegate Trustees at the expense of the Obligor, and every such minutes as aforesaid if purporting to be signed by the Chairman of the meeting at which such resolutions were passed, or proceedings had or by the Chairman of the next succeeding meeting of the Sukukholders shall be conclusive evidence of the matters therein contained, and until the contrary is proved, every such meeting in respect of the proceedings in which minutes have been signed as aforesaid shall be deemed to have been duly held and convened, and all resolutions passed thereat or proceedings taken to have been duly passed and taken.

SCHEDULE 2 – PARTICULARS OF THE ROADS

S/NO.	ERGP NO.	CONTRACT NO	PROJECT TITLE	NAME OF CONTRACTOR	STATE OR LOCATION	AMOUNT ALLOCATION FOR 2021 SUKUK	DELIVERY MILESTONES-KM/BRIDGE	COMPLETION DATE
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]

IN WITNESS WHEREOF the Parties have executed and delivered this Deed as a deed the day and year first above written.

The ISSUER/TRUSTEE

THE COMMON SEAL of **FGN ROADS SUKUK COMPANY 1 PLC**
Was hereunto affixed in the presence of:

.....
Name:
DIRECTOR

.....
Name:
DIRECTOR/SECRETARY

The DELEGATE TRUSTEES

THE COMMON SEAL of FBNQUEST TRUSTEES LIMITED

Was hereunto affixed in the presence of:

.....
Name:
DIRECTOR

.....
Name:
DIRECTOR/SECRETARY

THE COMMON SEAL of APEL CAPITAL AND TRUST LIMITED
Was hereunto affixed in the presence of:

.....
Name:
DIRECTOR

.....
Name:
DIRECTOR/SECRETARY

SIGNED, SEALED AND DELIVERED

By the Director-General
Debt Management Office
For and on behalf of the
Federal Republic of Nigeria

.....
PATIENCE ONIHA

In the presence of

Name:
Designation:
Address:
Signature:

SIGNED, SEALED AND DELIVERED

**By the Honourable Minister of Works & Housing For and on behalf
of the
Federal Republic of Nigeria**

.....

In the presence of

Name:
Designation:
Address:
Signature: