

DATED

FORWARD IJARAH (LEASE) AGREEMENT

BETWEEN

**FGN ROADS SUKUK COMPANY 1 PLC
LESSOR**

AND

**THE FEDERAL GOVERNMENT OF NIGERIA
LESSEE**

AND

**THE DEBT MANAGEMENT OFFICE
SPONSOR**

PREPARED BY:

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SCHEDULE

SCHEDULE 1	ALLOCATED LANDS	ERROR! BOOKMARK NOT DEFINED.
SCHEDULE 2	TRUST ASSETS DELIVERY NOTICE	1

THIS FORWARD IJARAH (LEASE) AGREEMENT (the “Agreement”) is dated [], 2022 and made

BETWEEN:

- (1) **FGN ROADS SUKUK COMPANY 1 PLC**; a company incorporated and registered under the laws of the Federal Republic of Nigeria with RC 1424371 and having its registered office at NDIC Building (First Floor), Plot 447/448, Constitution Avenue, Central Business District, Garki, Abuja hereinafter called the “**Lessor**” which expression shall where the context so admits include its successors-in-title, agents and assigns) of the first part;
- (2) **FEDERAL GOVERNMENT OF NIGERIA** represented by the Honourable Minister, Federal Ministry of Works and Housing with its headquarters at Mabushi District, Abuja, FCT (hereinafter called the “**Lessee**” which expression shall where the context so admits include its successors-in-title, agents and assigns) of the second part; and
- (3) **DEBT MANAGEMENT OFFICE**, an agency of the Federal Government of Nigeria, established under the Debt Management Office (Establishment) Act, 2003, having its registered office at NDIC Building (First Floor), Plot 447/448, Constitution Avenue, Central Business District, Garki, Abuja (hereinafter called the “**Sponsor**” which expression shall where the context so admits include its successors-in-title, agents and assigns) of the final part.

WHEREAS:

- A. By a Board Resolution dated _____ 2022, the Lessor authorized the capital raise of N[**] (_____ billion Naira) through the issuance of Sukuk (as defined below) and in compliance with Islamic Commercial Jurisprudence, for the construction and/or rehabilitation of roads in Nigeria.
- B. By a Letter of Allocation dated _____ 2022, the Lessor acquired Allocated Lands comprising the roads designated as federal highways, as described in **Error! Reference source not found.** (*Allocated Lands*) of this Agreement.
- C. By virtue of a Construction Agency Agreement dated _____ 2022, the Lessor appointed the Federal Ministry of Works and Housing (**Ministry**), acting for and on behalf of the FGN (defined hereinafter) as its agent, to construct, build and/or rehabilitate or procure the construction, building or rehabilitation of the Trust Assets and deliver same to the Lessee on the terms and conditions, set-out in the Construction Agency Agreement.

- D. The Lessor as the owner of the Trust Assets has offered to lease and the Lessee has agreed to accept the lease of the Trust Assets (as defined in the Construction Agency Agreement) on the terms and conditions contained in this Agreement.
- E. The parties having agreed to enter into this Agreement now wish to be bound by the terms and conditions hereinafter stated.

NOW IT IS HEREBY AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

The following definitions and rules of interpretation shall apply in this Agreement.

Allocated Lands: the undeveloped lands comprising roads designated as federal highways transferred to the Lessor by the Lessee under the Letter of Allocation for construction and/or rehabilitation of Trust Assets as more particularly described in **Error! Reference source not found.** (*Allocated Lands*).

Anti-Bribery Laws: all Nigerian laws and regulations, relating to anti-bribery and corruption, including but not limited to the Constitution of the Federal Republic of Nigeria 1999 (as amended); 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 (Prohibition) (Amendment) Act 2012; the Advance Fee Fraud and Other Related Offences Act 2006; the Banks and Other Financial Institutions Act 2020 and any amendments and regulations thereto.

Business Day: any day other than a Saturday, Sunday or a public holiday declared by the FGN, in which banks in Nigeria are open for normal business.

Certificate of Completion: a document certified by the Engineer and the PMC showing that the construction, maintenance or refurbishment of a section of one or more Trust Assets have been completed to the satisfaction of the Engineer and the PMC.

Construction Agency Agreement: the agreement between the Ministry (acting for and on behalf of the FGN), and the Lessor in which the Ministry undertakes to develop the Trust Assets on behalf of the Lessor.

Construction Contracts: the contracts for the building, construction, and/or rehabilitation of the Trust Assets.

Dissolution Distribution Amount: The Purchase Price for the Trust Assets as defined in the Purchase Undertaking.

Engineer: The Director, Highways Construction and Rehabilitation in The Federal Ministry of Works and Housing of The Federal Government of The Federal Republic of Nigeria, or such other person as may from time to time be appointed to act in that capacity or under him as his personal representative duly appointed under the Construction Contracts.

Event of Default: any of the events or circumstances described in Clause 9 to this Agreement.

FGN: The Federal Government of The Federal Republic of Nigeria.

Force Majeure Events: The events includes but is not limited to natural disaster, flood, earthquake, windstorm or other natural disaster, war, pandemic, threat of or preparation for war, armed conflict, terrorist attack, civil war, civil commotion or riots; nuclear, chemical or biological contamination or sonic boom; fire, explosion (other than in each case one caused by a breach of contract by, or assistance of, the party seeking to rely on this clause or companies in the same group as such party) or accidental damage; extreme adverse weather condition; any labour dispute, including but not limited to strikes, industrial action or lockouts (other than in each case by the party seeking to rely on this cause; non-performance by suppliers or subcontractors (other than a failure to pay them in accordance with the relevant contract); collapse of building structures, or failure of plant or machinery.

Grace Period: This is a period of Thirty (30) Business Days immediately after the occurrence of the Event of Default

Trust Assets Delivery Notice: A receipt issued by the Lessor to the Lessee substantially in the form annexed as Schedule 2 (*Trust Assets Delivery Notice*).

Trust Assets Delivery Date: The date of the delivery of the first Trust Assets Delivery Notice in accordance with Cause 3.1.

Lease: The lease of the Trust Assets pursuant to this Agreement.

Trust Assets: The roads leased to the Lessee pursuant to this Agreement.

Lease Rental: The rent payable by the Lessee to the Lessor in respect of the Trust Assets, at the rate of [] per annum on the Sukuk Amount.

Maturity Date: The date falling [seven (7) years] from the date the Sukuk is issued.

Ministry: The Federal Ministry of Works and Housing.

Payment: The payments made and/or to be made by the Lessee to the Lessor pursuant to this Agreement, including Lease Rentals.

Payment Account: An account opened by the Lessor with the Paying Agent, into which the Lessee shall make all payments under this Agreement.

Payment Date: the date on which payment is due

Paying Agent: The Central Bank of Nigeria.

PMC: The Project Management Consultant appointed by the Trustees to supervise the construction, development or refurbishment of the Roads.

Prospectus: The document detailing information on the offer for subscription of the Sukuk issued by the Lessor to fund the construction, maintenance and/or refurbishment of the Roads.

Purchase Undertaking Deed: The purchase undertaking deed issued by the Lessee and Sponsor in favour of the Lessor by way of deed poll on or about the date of this Agreement, in which the Lessee undertakes to purchase the Trust Assets, on the terms of that deed.

Rental Commencement Date: The date the Sukuk Certificates are issued to the identified subscribers.

Rental Payment Date: [] and [] of each year of the Sukuk tenor, with the first rental payment date being [].

Roads: The Trust Assets financed from the Sukuk proceeds.

Routine Maintenance: Means any maintenance other than Major Maintenance as defined in the Service Agency Agreement.

Sale Undertaking Deed: The sale undertaking deed issued by the Lessor in favour of the Lessee by way of deed poll on or about the date of this Agreement, in which the Lessor undertakes to sell the Trust Assets to the Lessee, on the terms of that deed.

Service Agency Agreement: The agreement of the same name between the Lessor (as “SPV”) and the Lessee (as “Service Agent”) dated on or about the date of this Agreement.

Sukuk: The certificates of equal value issued by the Lessor, which evidences undivided ownership by the Sukukholders to the Trust Assets and/or Lease and/or rights to the rental receivables from the said Trust Assets and/or Lease subject to the terms of the Deed of Declaration of Trust.

Sukuk Amount: Any amount as agreed by parties but not exceeding N[**] (_____ Billion Naira) only.

Sukukholder: The definition is the same as provided in the Trust Deed attached to this Agreement.

Tax Exemptions: Means exemptions from Companies Income Tax, Value Added Tax and Personal Income Tax respectively granted under the Companies Income Tax (Exemption of Bonds and Short-Term Government Securities) Order, 2011; the Value Added Tax (Exemption of Proceeds of the Disposal of Government and Corporate Securities) Order 2011; and the Personal Income Tax (Amendment) Act 2011; Federal Inland Revenue Service Guidelines on Tax Implications of Non-Interest Banking in Nigeria, 2013; and Finance Act 2020.

Taxes: Any tax, levy, impost, duty or other charge or withholding of a similar nature (including any related penalty or interest).

Term: The term of this Agreement shall commence on the Rental Commencement Date and end on the Maturity Date.

Transaction Documents: They include but not limited to this Agreement, the Construction Agency Agreement, the Prospectus, the Trust Deed, the Purchase Undertaking Deed, the Sale Undertaking Deed and any other documents described as such attached to this Agreement.

Trust Deed: The Declaration of Trust Deed between the Lessor (Issuer), the Lessee (as Obligor), the Sponsor (as Originator) and the Trustees in which the Issuer appoints the Trustees as trustee of the certificate holders, to hold the benefit of the Issuer's covenants in trust for the certificate holders and themselves (according to their respective interests).

Trustees: The trustees shall be Apel Capital and Trust Limited and FBNQuest Trustees Limited, their successors-in-title and permitted assigns.

Lease Period: This is the period commencing from the date the Lease Asset is delivered to the Lessee and ending on the Maturity Date.

1.2 Interpretation

In this Agreement:

- (a) Clause, Schedule and paragraph headings shall not affect the interpretation of this Agreement.
- (b) A **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).
- (c) The **Schedules** form part of this Agreement and shall have effect as if set out in full in the body of this Agreement. Any reference to this Agreement includes the Schedules.
- (d) A reference to a **company** shall include any company, corporation or other body corporate, wherever and however incorporated or established.
- (e) Unless the context otherwise requires, **words in the singular** shall include the plural and, in the plural, shall include the singular.
- (f) Unless the context otherwise requires, a reference to **one gender** shall include a reference to the other genders.
- (g) A reference to a **statute or statutory provision** is a reference to it as amended, extended or re-enacted and all subordinate legislation made from time to time under that statute or statutory provision.

- (h) Any reference to **party** means a party to this Agreement and shall, where the context admits, include its successors-in-title and permitted assigns.
- (i) References to **a document in agreed form** is that document in the form agreed by the parties.
- (j) Unless the context otherwise requires, references to **clauses and schedules** are to the clauses and schedules of this Agreement and references to paragraphs are to paragraphs of the relevant Schedule.
- (k) Any word following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- (l) **Any obligation on a party not to do something** includes an obligation not to allow that thing to be done.
- (m) Unless this Agreement otherwise provides, a reference to the **Trust Assets** is to the whole and any part of the Trust Assets.
- (n) A reference to the **Lessor's consent or approval being required** is to a consent or approval in writing which must be obtained before the relevant act is taken or event occurs.
- (o) **Lessor** includes the Lessor's successors in title and any other person who is, or becomes entitled to the reversion (whether immediate or not) expectant on the term to be created by the Lease.

2. AGREEMENT FOR LEASE

In consideration of the Lessee's obligations under this Agreement, the Lessor hereby lease the Trust Assets to the Lessee, and the Lessee hereby accepts the lease on the terms set out in this Agreement.

3. TERM AND LEASE COMMENCEMENT

- 3.1 The Lessor may, upon delivery of a Certificate of Completion to it by the Lessee (acting as the construction agent) pursuant to the Construction Agency Agreement, deliver a Trust Assets Delivery Notice to the Lessee. The Lease Period shall commence upon the delivery of a Trust Assets Delivery Notice by the Lessor to the Lessee and shall end on the Maturity Date.
- 3.2 The Lease Rental shall be payable on each Rental Payment Date during the Term, including the Maturity Date.

4. PAYMENT AND ACCOUNTS

- 4.1 In consideration of the lease granted by the Lessor to the Lessee pursuant to Clause 0, the Lessee covenants with the Lessor that it shall unconditionally pay or procure to be paid, immediately available freely transferable funds in Naira to the Payment Account, the Lease Rental on each Rental Payment Date;
- 4.2 All payments to be made by the Lessee under this Agreement shall be made in full, without any set-off, counter claim, deduction or withholding whatsoever, to the Payment Account on the Rental Payment Date.
- 4.3 Payments under this Agreement shall have the benefits of the Tax Exemptions.
- 4.4 If at any time, the Lessee is required to make a non-refundable and non-adjustable deduction or withholding in respect of Taxes from any payment due to the Lessor under this Agreement, the sum due from the Lessee in respect of such payment shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the Lessor receives on the Payment Date, a net sum equal to the sum which it would have received had no such deduction or withholding been required to be made, and the Lessee shall indemnify the Lessor against any losses or actual costs incurred by the Lessor by reason of any failure of the Lessee to make any such deduction or withholding. The Lessee shall promptly deliver to the Lessor original or copies of any receipts, certificates or other proof evidencing the amounts (if any) paid or payable in respect of any deduction or withholding as aforesaid. In the event the Lessor gets any refund of all or part of such deduction(s), the Lessor will then credit the account of the Lessee and consider it a partial pre-payment of the payment due on the next Payment Date by the Lessee.
- 4.5 It is agreed that all Lease Rentals received by the Lessor prior to a Trust Assets Delivery Date are advance rents for the relevant Lease Period and rents are only deserved from the Trust Assets Delivery Date.
- 4.6 The Lessee's payment obligations herein are backed by the full faith and credit of the FGN. Accordingly, the Sponsor hereby undertakes on behalf of the FGN, to make all Payment under this Agreement on behalf of the Lessee.
- 4.7 The Sponsor hereby undertakes to execute such further deed and documents as may from time to time be required by the Lessor for the purpose of securing the Guaranteed Obligations.

5. DELIVERY

In accordance with Clause 3.1, the Trust Assets shall be delivered by the Lessor to the Lessee by the delivery of a Trust Assets Delivery Notice to the Lessee. The Lessor may deliver more than one Trust Assets Delivery Notice and a Trust

Assets Delivery Notice may be delivered in respect of all or a part of the Trust Assets.

6. ROUTINE MAINTENANCE

6.1 The Lessee undertakes with the Lessor that, during the Lease Period, the Lessee shall, at its own expense, carry out and be responsible for the Routine Maintenance of the Trust Assets in a condition reasonably satisfactory to the Lessor. All Routine Maintenance works shall be carried out in accordance with best practice in the industry.

6.2 The Lessee agrees to be solely responsible for all Routine Maintenance and operating costs and expenses incurred in connection with or in any way referable to the use and operation of the Trust Assets.

6.3 The Lessor shall be responsible for all Major Maintenance.

7. USE OF THE TRUST ASSETS

The Lessee shall use the Trust Assets only for the purpose for which they were constructed and for no other purpose.

8. REPRESENTATION AND WARRANTIES OF THE LESSEE

8.1 Powers

The Lessee has the power to enter into, deliver, perform and take all necessary action to authorise its entry into delivery and performance of this Agreement, the Transaction Documents and the transactions contemplated by the parties.

8.2 Non-contravention

The entry into and performance of the obligations thereunder and the transactions contemplated by the Transaction Documents do not and will not contravene or conflict with any agreement or instrument binding on the Lessee or its assets; or any law or regulation or judicial or official order applicable to it.

8.3 Authorisations

The Lessee has obtained all required or desirable authorisations to enable it to enter into, exercise its rights and comply with its obligations under this Agreement and the Transaction Documents and to make them admissible in evidence in Nigeria. Any such authorisations are in full force and effect.

8.4 Binding obligations

The Lessee's obligations under the Transaction Documents are legal, valid, binding and enforceable against Lessor in accordance with their respective terms.

9. DEFAULT AND TERMINATION

9.1 There shall be an Event of Default if in the opinion of the Lessor:

- (a) any representation or warranty made or deemed to be made or repeated by the Lessee in or pursuant to the Transaction Documents or in any document delivered under this Agreement is found to be incorrect in any material respect;
- (b) the Lease Rentals payable under this Agreement remains outstanding for a period of more than five (5) Business Days; or
- (c) any costs, charges and expenses under the Transaction Documents remain unpaid for a period five (5) Business Days after notice of demand has been received by the Lessee from the Lessor.
- (d) all or any part of any Transaction Document becomes invalid, unlawful, unenforceable, terminated, disputed or ceases to be effective or to have full force and effect.

9.2 Upon the occurrence of an Event of Default as herein contained, the Lessor shall give to the Lessee, a further Grace Period to remedy the breach. such Grace Period shall not exceed thirty (30) Business Days from the date of the occurrence of the Event of Default.

9.3 Where such breach is not remedied at the expiration of the Grace Period, the Lessor shall have the right to require the Lessee to purchase the Trust Assets at the Dissolution Distribution Amount.

9.4 The Lessor shall not be required to deliver any Trust Assets Delivery Notice to the Lessee at any time when an Event of Default has occurred which is continuing.

9.5 The Lessee hereby agrees that any termination under this Lease shall be only at the instance of the Lessor and expressly and irrevocably waives the right to terminate the Lease granted pursuant to this Agreement.

10. ASSIGNMENT

10.1 The Lessor may at any time assign, transfer, declare a trust over the Trust Assets or deal in any other manner with the Trust Assets under this Agreement,

provided that such dealing does not in any way impair the Lease and prior written notice of such dealing shall be given to the Lessee.

- 10.2 The Lessee shall not assign, transfer, sub-let, declare a trust over or otherwise encumber or deal with the Trust Assets or any of its rights and obligations in any other manner than agreed under this Agreement without the consent of the Lessor.

11. INDEMNITY

- 11.1 The Lessee shall indemnify the Lessor against all liabilities, actual costs, expenses, damages and losses (including penalties, legal and other reasonable costs and expenses) suffered or incurred by the Lessor arising out of or in connection with:

- (a) any breach of the warranties of the Lessee contained in Clause 8;
- (b) any claim made against the Lessor by a third party arising out of or in connection with handling, use or operation of the Trust Assets;
- (c) any claim made against the Lessor by a third party for death, personal injury or damage to life or property arising out of or in connection with the use or operation of the Trust Assets.

- 11.2 If any third party makes a claim, or notifies the Lessor of an intention to make a claim against the Lessor which may reasonably be considered likely to give rise to a liability under this indemnity (a **Claim**), the Lessor shall:

- (a) as soon as reasonably practicable, give written notice of the Claim to the Lessee, specifying the nature of the Claim in reasonable detail;
- (b) subject to the Lessee providing security to Lessor's reasonable satisfaction against any claim, liability, costs, expenses, damages or losses which may be incurred, take such action as the Lessee may reasonably request, to avoid dispute, compromise or defend the Claim.

- 11.3 If the Lessor have to pay money, in respect of any claim or demand for which the Lessee is responsible under this Agreement or incur any costs, charges or expenses (including attorney fees) in connection with any such claim or demand, the amount so paid and the costs, charges and expenses incurred directly or indirectly by the Lessor shall be paid in full to the Lessor by the Lessee within Five (5) Business Days of demand.

- 11.4 If a payment due from the Lessee under this clause is subject to Tax (whether by way of direct assessment or withholding at its source), the Lessor shall be entitled to receive from the Lessee such amount as shall ensure that the net receipt, after tax to the Lessor in respect of the payment is the same as it would have been were the payment not subject to tax.

- 11.5 The Lessee further agrees to indemnify the Lessor against any loss or actual expense which the Lessor shall certify as rightly incurred by it as a consequence of:
- (a) the occurrence of any Event of Default; or
 - (b) misrepresentation by an act or omission of the Lessee.
- 11.6 The Lessee agrees to pay the Lessor the cost of repairing or replacing any damage arising out of misuse of the Trust Assets.

12. TRANSPARENCY AND ANTI-CORRUPTION

- 12.1 The parties agree that they will, at all times, 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.
- 12.2 No part of the Lease Rental and other monies paid to any party under this Agreement 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 Law.

13. WAIVER OF INTEREST

- 13.1 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 by operation of any applicable law or otherwise, such party agrees to waive any rights it may have to claim or receive such interest and agrees that if any such interest is actually received by it, it shall promptly donate the same to a registered or otherwise officially recognized charity organization.
- 13.2 For the avoidance of doubt, nothing in this Clause 13 (*Waiver of Interest*) shall be construed as a waiver of rights in respect of the Rental Payment or any other amounts payable to any party under this Agreement, howsoever such amounts may be described or re-characterized by any court or arbitral award.

14. FORCE MAJEURE

Any delay in or failure by any party to perform its obligations hereunder caused by occurrences or circumstances beyond the affected party's reasonable control, including but not limited to, natural disasters, pandemics, fire, strikes or other labour disputes which do not affect solely the delayed party, riots, civil

commotion, war (declared or not) sabotage, delay by governmental authorities, government regulation or any other causes, similar to those herein specified which cannot be reasonably controlled by the affected party shall constitute a Force Majeure Event. The party affected by such Force Majeure Event shall as soon as practicable inform the other party of the occurrence of such events and shall furnish proof of details of the occurrence and reasons for its non-performance of the whole or part of this Agreement. The parties shall consult each other to decide whether to terminate this Agreement or to discharge part of the obligations of the affected party or extend its obligations on a best effort and on an arm's length basis.

15. SEVERANCE

If any provision (or part of a provision) of this Agreement is or becomes invalid, illegal or unenforceable, that provision or part-provision shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable, and the validity and enforceability of the other provisions of this Agreement shall not be affected. If such modification is not possible, the relevant provision (or part of a provision) shall be deemed deleted. Any modification to or deletion of a provision (or part of a provision) under this clause shall not affect the legality, validity and enforceability of the rest of this Agreement.

16. AMENDMENTS AND WAIVERS

16.1 Amendments

No amendment of this Agreement shall be effective unless it is in writing and signed by, or on behalf of, each party to it (or its authorised representative).

16.2 Waivers

- (a) A waiver of any right or remedy under this Agreement or by law, or any consent given under this Agreement, is only effective if given in writing by the waiving or consenting party and shall not be deemed a waiver of any other breach or default. It only applies in the circumstances for which it is given and shall not prevent the party giving it from subsequently relying on the relevant provision.
- (b) A failure or delay by a party to exercise any right or remedy provided under this Agreement or by law shall not constitute a waiver of that or any other right or remedy, prevent or restrict any further exercise of that or any other right or remedy. No single or partial exercise of any right or remedy provided under this Agreement or by law shall prevent or restrict the further exercise of that or any other right or remedy.

17. FURTHER ASSURANCE

Each party shall promptly execute and deliver such documents and perform such acts as may be reasonably required from time to time for the purpose of giving full effect to this Agreement, including the lease and purchase of the Trust Assets.

18. ENTIRE AGREEMENT

This Agreement (together with the documents referred to in it) constitute the entire agreement between the parties in relation to the Lease and supersede all previous discussions, correspondence, negotiations, arrangements, understandings and agreements between them relating to this subject matter.

19. NOTICES

19.1 Any notice, request, requirement or other document or matter to be given, issued or made under this Agreement shall be in writing and shall be signed by the person giving, issuing or making it or that person's authorised agent or representative and shall be served in accordance with Clause 19.3 below.

19.2 Any notice or other document referred to in Clause 19.1 above, shall be served by personally delivering the same by hand to the registered office or to the address of the person to be served as specified in this Agreement or previously notified for this purpose, or by sending the same by post or a reputable courier service to such address or by dispatching the same by electronic mail transmission or other means of communication in permanent written form.

(a) To the Lessor at:

The Managing Director
FGN Roads Sukuk Company 1 PLC
NDIC Building (First Floor)
Plot 447/448 Constitution Avenue
Central Business District, Garki, Abuja
Nigeria.

Attention: Mr. Monday Usiade

Telephone: +234 8022236755

E-mail: musjade@dmo.gov.ng

with a copy to the Trustees at:

(1) The Managing Director
Apel Capital and Trust Limited
No. 8 Alhaji Bashorun Street,

Off Norman Williams Crescent
South-West Ikoyi,
Lagos

Attention: Mrs. Omolola Iyinolakan

Telephone: +234-803 441 6890
E-mail: liyinolakan@apelasset.com

- (2) The Managing Director
FBNQuest Trustees Limited
10 Keffi Street
South West Ikoyi
Lagos
Nigeria

Attention: Mr. Adekunle Awojobi

Telephone: +234 1 2798300
E-mail: adekunle.awojobi@fbnquest.com

- (b) To the Lessee at:

The Honourable Minister
The Federal Minister of Works and Housing,
Mabushi District, Federal Capital Territory,
Abuja.

- (c) To the Sponsor at:

The Director-General
The Debt Management Office
NDIC Building (First Floor), Plot 447/448, Constitution Avenue, Central
Business District, Garki, Abuja
Email: poniha@dmo.gov.ng

- 19.3 If a notice is given in accordance with clause 19.1, it shall be deemed to have been received at the time the notice is left at the proper address and, if a particular department or officer is specified as part of its address details provided under Clause 19.2 , if addressed to that department or officer.
- 19.4 This clause does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

20. GOVERNING LAW

- 20.1 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 to include relevant Islamic commercial jurisprudence.
- 20.2 The Parties agree that the provisions of this agreement shall also be governed by the provisions of Islamic commercial jurisprudence and are satisfied that this Agreement complies with applicable Islamic law of commercial transactions.

21. SHARIAH 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 SEEK TO CHALLENGE THE ENFORCEABILITY OF THIS AGREEMENT AT ANY TIME FOR REASONS OF NON-COMPLIANCE WITH ISLAMIC LAW PRINCIPLES OR NON-APPLICABILITY OF ISLAMIC LAW.

22. ARBITRATION

- 22.1 In the event of any allegation of breach or question of interpretation or dispute or controversy relating to this Agreement, the parties shall meet and negotiate in good faith to settle the matter amicably. If the parties are unable to settle the matter within two (2) weeks after their meeting, then the matter shall be referred to an arbitration panel (appointed in accordance with Clause 22.2 below) whose decision shall be final and binding.
- 22.2 Each party shall be entitled to appoint an arbitrator and the two party-appointed arbitrators shall then appoint a third arbitrator who shall be knowledgeable in the Islamic commercial jurisprudence. If either party fails to appoint an arbitrator within five (5) Business Days of receiving notice of the appointment of an arbitrator by the other party, the President, Chartered Institute of Arbitrators, UK (Nigeria Branch) shall, at the request of either party, appoint an arbitrator on behalf of the defaulting party. If the first and second arbitrator appointed fail to agree upon a third arbitrator within five (5) Business Days of the appointment of the second arbitrator, the third arbitrator shall, at the request of either party, be appointed by the President, Chartered Institute of Arbitrators, UK (Nigeria Branch).
- 22.3 The arbitral proceedings shall be conducted in Abuja, the Federal Capital Territory, Abuja, Nigeria in English Language and shall be governed by the Arbitration and Conciliation Act, CAP A18, Laws of the Federation 2004.

22.4 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 arbitrator. Each Party, however, shall bear its legal fees.

22.5 The arbitrators shall have a maximum of thirty (30) Business Days following the parties' exchange of pleadings, to resolve the dispute; failing which the parties can institute claims at the competent court of law.

22.6 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 judgement or award to charity.

23. JURISDICTION

Each party irrevocably agrees that, subject as provided in Clause 21 above, the courts of the Federal Republic of Nigeria shall have jurisdiction over any dispute or claim (including non-contractual disputes or claims) that arises out of or in connection with this Agreement or its subject matter or formation.

IN WITNESS WHEREOF the parties have hereunto executed this Deed the day and year first above written.

THE COMMON SEAL of the within named **LESSOR**
FGN ROADS SOVEREIGN SUKUK 1 PLC
is hereunto affixed in the presence of:

.....
DIRECTOR

.....
DIRECTOR/SECRETARY

SIGNED SEALED AND DELIVERED
By the Honourable Minister of
Works and Housing for
and on behalf of
the Federal Government of Nigeria

.....

In Presence of:

Name

Address

Occupation

Signature.....

SIGNED SEALED AND DELIVERED

By the Sponsor's authorised Representative
The Director General
Debt Management Office
for and on behalf of the Federal Government of Nigeria

.....
SPONSOR

In Presence of:

Name

Address

Occupation

Signature.....

Schedule 1 Allocated Lands

S/NO.	ALLOCATED LAND	LOCATION	LENGTH (KM)
	NORTH CENTRAL ZONE		
1			
2			
3			
4			

5			
6			
7			
8			
9			

10			
11			
12			
13			
14			
	NORTH EAST ZONE		

1.			
2.			
3.			
4.			
5.			
6.			

7.			
8.			
9.			
10.			
11.			
12.			

	NORTH-WEST ZONE		
1.			
2.			
3.			
4.			
5.			

6.			
7.			
8.			
9.			
10.			
11.			

12.			
13.			
14.			
15.			
	SOUTH – EAST ZONE		
1.			

2.			
3.			
4.			
5.			
6.			
7.			

8.			
9.			
10.			
	SOUTH SOUTH ZONE		
1.			
2.		•	

3.			
4.			
5.			
6.			
7.			
8.			

9.			
10.			
11.			
	SOUTH – WEST ZONE		
1.			
2.			

3.			
4.			
5.			
6.			
7.			
8.			

9.			
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Schedule 2 Trust Assets Delivery Notice

[On Letterhead of Lessor]

[Date]

The Honourable Minister
Federal Ministry of Works and Housing
Mabushi District, Abuja, FCT.

Dear Sir,

Forward Ijarah (Lease) Agreement (this Agreement) dated [] between FGN Roads Sukuk Company 1 PLC and The Federal Minister of Works and Housing, on behalf of the Federal Government of the Federal Republic of Nigeria and the Debt Management Office

Clause 5 of the Forward Ijarah (Lease) Agreement provides that the Trust Assets are delivered by the Lessor to the Lessee by the delivery of a Trust Assets Delivery Notice to the Lessee.

This is a Trust Assets Delivery Notice in accordance with Clause 5 of the Forward Ijarah (Lease) Agreement to signify the delivery of [description of roads covered by this delivery] and the commencement of the Lease Period in respect of the said Trust Assets.

Yours faithfully,

FOR: FGN ROADS SUKUK COMPANY 1 PLC

.....

[NAME]

[DESIGNATION]