PATH 04 / INTERMEDIATE / REVISION SHEET

Sukuk & Capital Markets

Describe what investors own or are entitled to and distinguish legal form, economic exposure and credit risk.

The path in three lessons

01	**Why issuers use sukuk**	Understand the certificates through their rights and cash-flow structure.
02	**Inside a sukuk structure**	Trace legal rights in stress, not only normal-period distributions.
03	**Pricing, risk and impact**	Combine structural analysis with disciplined credit and impact questions.

Key language

Issuer	The entity raising funds through the transaction.
Certificateholder	An investor holding sukuk certificates.
Originator	The entity initiating and contributing assets or rights.
SPV	A vehicle created for defined transaction roles.
Recourse	Assets or parties against which investors may claim.
Liquidity risk	Risk that an asset cannot be sold quickly at a reasonable price.

RECALL / APPLY / DISCUSS

Questions worth keeping

Try answering these without notes. Then compare your reasoning with the prompts below.

01 What do the certificates represent and what creates distributions?

02 Where does investor recourse sit if payments fail?

03 What credit, liquidity and impact evidence supports the return and label?

Answer prompts

01	Rights and cash flows explain more than the word sukuk alone.
02	Asset-backed and asset-based structures can produce different exposures.
03	Shariah compliance does not remove ordinary financial risk.

Continue online

Open the interactive lessons, definitions and knowledge checks at soaseifs.com/education/sukuk-capital-markets

Use this sheet as a starting point for study. Structures, standards and interpretations can vary across institutions and jurisdictions.