

A large, dark image of the Earth as seen from space, showing the curvature of the planet and a bright light source (the sun) on the right side, creating a lens flare effect.

# Legal and Shariah governance: Navigating Islamic Finance in a perfect storm

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## Recent sukuk defaults

- East Cameron Gas
- The Investment Dar
- Golden Belt

NB: Nakheel potential default

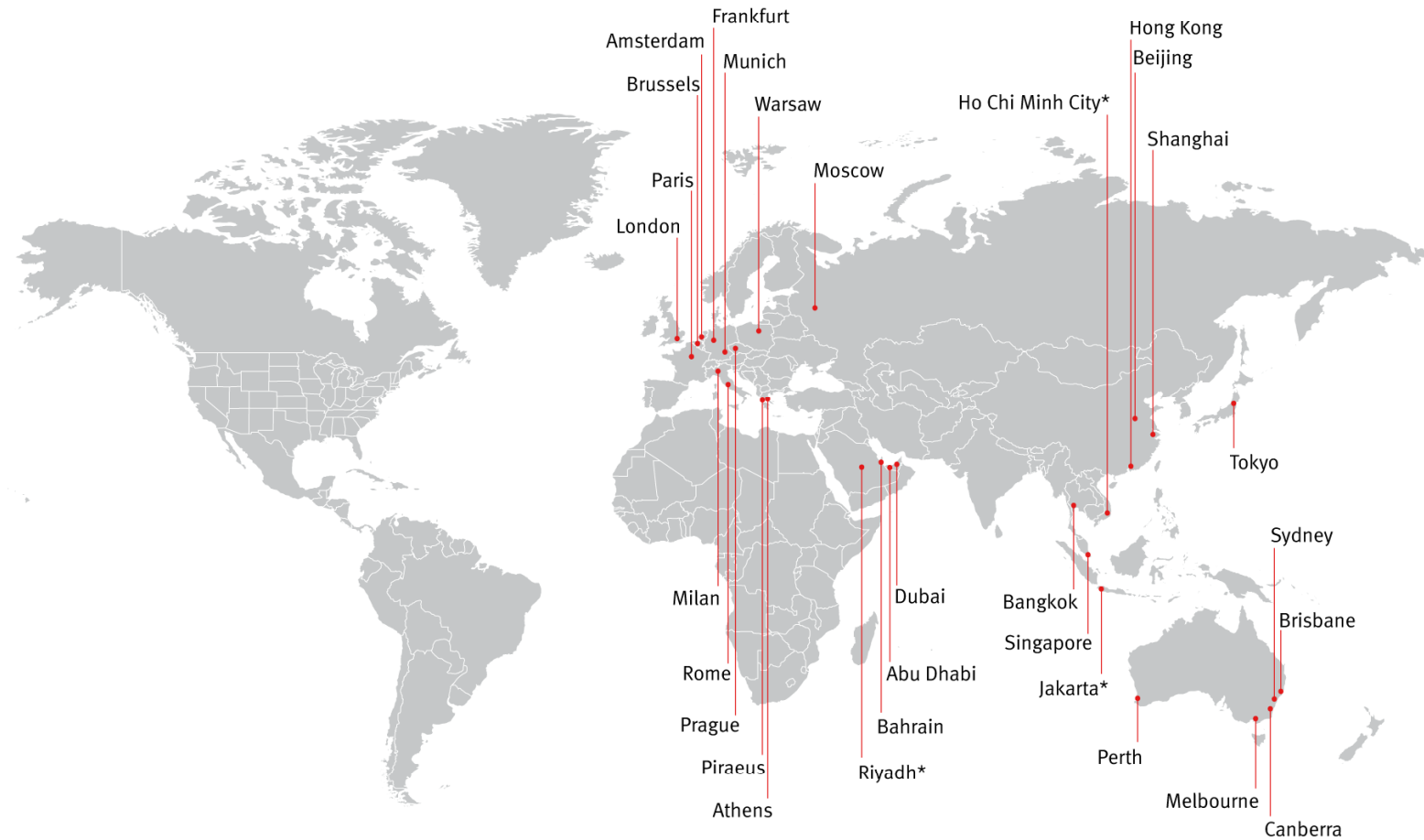
## Difficulties experienced in enforcing the rights of the holders

- Asset-backed v asset-based – what are investors entitled to upon a default
- Purchase Undertaking – contractual debt claim
- Process upon a default taking place
- Role of Delegate/TA
  - Instruction
  - Indemnity
- Governing law
- Jurisdiction in which the assets are based

## The position of Shariah law under English law

- The status of Shariah under English law
- Courts v arbitration for Shariah compliant transactions
- Shamil Bank v Beximco
- The Investment Dar v Blom Developments Bank
- Tax and regulatory positions

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