TKBB

Participation Finance Standards No: 1

SHARE CERTIFICATE ISSUANCE AND TRADE STANDARD

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SHARE CERTIFICATE ISSUANCE AND TRADE

Content of the Standard

This standard includes the Shariah rulings related to the issuance of shares, as well as the trading and other transactions involving issued shares, along with the rationale for these rulings.

A share represents a security that embodies the capital of a joint-stock company and grants its holder the right of partnership.

RULINGS

1. Rulings Related to the Issuance of Shares

1.1. Establishing companies and issuing shares of these companies are permissible, provided that their activities do not contradict the principles and rulings prescribed by Islam and therefore the principles of participation (Islamic) finance.

1.2. Establishing companies and issuing shares for companies whose activities contradict the principles and rulings prescribed by Islam are not permissible. The primary examples of such prohibited activities include:

Production and trade of alcoholic beverages,

Production and trade of narcotics not intended for medical purposes,

Gambling and gambling-equivalent activities,

Production and trade of pork and pork products,

Interest-based financial transactions,

Publications contrary to morality and Islamic values,

Entertainment, hospitality, and similar activities that conflict with Islamic values,

Activities causing significant harm to the environment and living beings,

Biological or genetic activities aimed at altering human nature,

Production, wholesale trade, and distribution of tobacco products harmful to health.

1.3. The prohibited activities listed in Article 1.2 must not be included among the areas of activity stated in the company's articles of association. Furthermore, even if not explicitly mentioned in the articles of association, the company must not engage in such activities in practice.

1.4. The articles of association and actual activities of the legal entity shareholders and subsidiaries of a company are treated as equivalent to the articles of association and activities of the company itself.

1.5. Companies that, despite complying with participation finance principles and standards in their articles of association and main activities, publicly declare through their authorized bodies or officials that they openly support actions violating fundamental Islamic values, human rights, in particular the right to life, and human dignity, will not be deemed compliant with participation finance principles.

1.6. Companies established in accordance with participation finance principles and standards will lose this status as of the registration date if they engage in activities prohibited under Articles 1.2 and 1.5 or amend their articles of association to allow such activities. If it is determined that such prohibited activities began in practice prior to the registration of the amendments to the articles of association, the date of discovery will be taken as the basis.

1.7. When a company issues new shares, their value must be determined fairly, taking into account the value of the existing shares.

1.8. Issuing preferred shares that grant the holder priority in profit distribution or during liquidation is not permissible. However, there is no Shariah objection to issuing preferred shares that grant privileges related to management and execution or priority rights in acquiring shares during capital increases.

1.9. Interest-free financial institutions must establish advisory committees, compliance and audit units within their structure to ensure that their activities align with participation finance principles and standards. These requirements may also be met through outsourcing such services.

2. Legal Transactions Involving Shares

2.1. It is permissible to buy and sell shares of companies whose establishment purpose and activities are permitted (mubah). However, share trading must avoid manipulations and fraudulent transactions that could lead to unjust gains.

2.2. Shares can be traded either on a spot (cash) basis or on a deferred basis.

2.3. The general conditions required for a valid sales contract also apply to share trading. Consequently, purchasing shares using interest-based loans is not permissible. Transactions involving margin sales, where an interest-based loan is taken from a brokerage and the shares are pledged as collateral, are subject to the same ruling.

2.4. Selling shares that one does not own (short selling) is not permissible.

2.5. A person may engage in legitimate transactions, such as selling, involving shares they have purchased, even before the final registration in their name is completed.

2.6. Shares can serve as the sales price (ra's al-mal) in a salam contract, but they cannot be the subject matter (muslamun fih) of the salam contract.

2.7. Derivatives such as futures, options, and swaps involving shares are not permissible.

2.8. It is not permissible to loan shares.

2.9. It is permissible to subject shares to a pledge contract.

2.10. Shares cannot be the subject of a lease contract. This ruling does not change even if the lessee is required to return the identical or equivalent shares.

2.11. It is permissible to lend (ariyah) shares for the purpose of being pledged.

3. The Ruling on Transactions Involving Shares of Companies with Permitted (Mubah) Activities but Occasionally Engaging in Prohibited Activities

3.1. Shares of companies whose activities are in line with participation finance principles but occasionally involve interest-based transactions may be acquired and traded, provided the following conditions are met:

3.1.1. It is essential that such companies do not borrow on interest or hold deposits in interest-bearing accounts. However, in exceptional cases where the continuation of the company's operations necessitates it, the total interest-bearing liabilities (e.g., loans or bonds issued) must not exceed 33% of the company's total assets. Similarly, assets and rights held in interest-bearing accounts (e.g., deposits or bonds) due to operational necessity must not exceed 33% of the company's total assets. Mandatory deposits in interest-bearing accounts required by legal regulations are excluded from this limit and are evaluated within the framework of necessity.

3.1.2. Income derived from interest-based transactions due to legal requirements or operational necessity, along with other impermissible income, must not exceed 5% of the company’s total income.

3.2. It is permissible to acquire shares and trade in companies engaged in the retail sale of harmful tobacco or tobacco products, provided that the income from such tobacco-related activities, combined with other impermissible income, does not exceed 5% of the company’s total income.

3.3. It is permissible to acquire shares and trade in companies that directly or indirectly provide services to businesses that do not comply with participation finance principles, or that earn rental income from such businesses, provided the income from these activities, combined with other impermissible income, does not exceed 5% of the company’s total income.

3.4. The latest semi-annual and annual financial statements are used to determine whether a company complies with the principles and ratios outlined above.

3.5. If companies exceed the limits for "impermissible assets," "impermissible liabilities," or "impermissible income" specified in the standard, provided that the amount of excess does not exceed 10% of the given ratio, in such cases, compliance is evaluated at the next review. If any of the three criteria are exceeded in any proportion in the subsequent period, the shares will lose their compliance with participation finance principles.

3.6. Shareholders of companies that earn impermissible income must purify their income at the end of the financial period by eliminating the impermissible portion of their earnings.

3.6.1. The amount to be purified is the impermissible income attributable to each share. There is no difference in this regard whether dividends have been distributed or whether the company has made a profit or loss.

3.6.2. In calculating the amount of interest income to be purified, only the portion exceeding the inflation rate is considered.

3.6.3. The purified amount must be spent, without deriving any benefit, on charitable activities such as education, health, infrastructure, and aid to the needy, in accordance with Islamic principles.

4. The Ruling on Transactions Involving Shares of Companies Whose Assets Consist Primarily of Cash and/or Receivables

4.1. It is permissible to buy and sell shares of companies that have cash or receivables among their assets. In this regard, the proportion of cash and/or receivables relative to other assets is not taken into consideration.

JUSTIFICATIONS

1. Justifications for the Rulings Related to Share Issuance

It is permissible to establish a joint-stock company whose capital is divided into specific shares, as well as to acquire these shares and thereby become a shareholder in such companies. The permissibility of forming partnerships based on contractual agreements is established through the Qur'an, the Sunnah, and the consensus (ijma) of scholars.

In the Qur'an, partnerships are mentioned without prohibition (Surah Sad, 38:24; Surah Zumar, 39:29). The Prophet Muhammad (peace be upon him) not only engaged in partnerships himself (Al-Hakim, Al-Mustadrak, II, 61) but also approved partnerships formed by his companions (Bukhari, Sharikah, 10). Additionally, the Prophet stated that when two partners do not betray each other, Allah becomes their third (Abu Dawood, Buyu, 26). These form the religious basis for the legitimacy of such partnerships.

The most critical condition for the validity of a partnership—referred to as a "joint-stock company" in this context—is that its field of activity must not contradict the principles and rulings prescribed by Islam. Just as it is prohibited to engage in actions that Islam has forbidden due to their harm to individuals, the environment, or society, it is also prohibited to establish and operate a company that engages in such actions.

A share is a security that represents the ownership of the shareholders and certifies their capital contribution in the company. A shareholder has the right to benefit from the dividends generated by their shares and bears any loss in proportion to their ownership. Shares can also be subject to various transactions, such as sales and hibah. This is because a person has the right to dispose of their property as they wish, provided it does not contradict Shariah principles.

A legal entity consisting of various components is evaluated as a whole, along with its constituent elements. This is because none of the components individually, but rather their combination, constitutes the legal entity. A company that includes multiple companies within its partnership structure is also evaluated in accordance with this principle, together with the other companies that constitute it. For this reason, the articles of association and activities of the shareholders of a company are considered an extension of the company's own articles of association and activities and are evaluated collectively. Consequently, any agreements and activities of the companies within the partnership structure that do not comply with the principles and standards of participation (Islamic) finance negatively affect the legitimacy of the company. Therefore, it is essential that the articles of association and activities of a company's subsidiaries also conform to the principles and standards of participation finance.

The acceptance of the articles of association and activities of a company's shareholders or its subsidiaries (affiliated companies) as the articles and activities of the company itself, and their classification as legitimate or illegitimate accordingly, is based not only on the logical explanation provided above but also on certain Shariah justifications. Since fulfilling the necessary general conditions and rules is sufficient for legitimacy, the Shariah justifications for deeming something illegitimate, i.e., contrary to participation principles and standards, are of significant importance. Foremost among these justifications is the principle of not directly or indirectly facilitating, supporting, or assisting in activities that are religiously prohibited and unlawful (haram) (Surah Al-Ma'idah 5:2; Muslim, "Zakat," 65). Any contrary behavior would contradict Islam's emphasis on lawful (halal) earnings, as income derived from activities that are religiously prohibited and unlawful is also considered haram.

For this reason, it is necessary to prevent activities and transactions considered haram according to Shariah rulings, along with any income derived from them, based on the principle of sadd al-dhara'i (blocking the means). On the other hand, forming partnerships or engaging in trade with individuals or entities whose assets are not derived from legitimate sources due to their activities, or whose commercial activities are clearly contrary to Islamic principles and definitively haram, is deemed inappropriate by jurists. Additionally, allowing such practices within the participation (Islamic finance) ecosystem may harm the perception of the sector, lead to increased counter-propaganda, and result in greater suspicion and accusations against the industry.

One of the distinguishing features of Islamic economics and finance is its human- and value-centered approach. Market realities, profitability, economic ratios, and similar considerations cannot take precedence over human nature, rights, and religious and ethical values. For this reason, a financial understanding and system that claims to be in harmony with Islamic thought, law, and ethics is expected to adhere comprehensively to Islamic sensitivities, principles, and a set of rules. Good intentions, honesty, social welfare, respect for the environment, combating money laundering, corruption, and the laundering of proceeds of crime, preventing the support of terrorism, arms and drug trafficking, protecting human dignity, preventing human trafficking, crimes against humanity, and war crimes, and compliance with ethical principles are indispensable principles of Islamic economics and finance, and thus the interest-free finance/participation ecosystem. It is not permissible to develop a product that violates these standards, nor to form partnerships with individuals or entities—natural or legal—that deliberately violate any of these principles.

Consequently, companies whose articles of association and primary activities do not contradict participation finance principles and standards, but are proven through definitive evidence, such as decisions by national or international courts or public institutions, to explicitly support actions that violate fundamental Islamic values, including the right to life, human rights, and human dignity—or to support individuals, entities, institutions, organizations, brands, or parties involved in such actions—are not considered compliant with participation finance principles. Additionally, companies whose support for such actions has been publicly declared by their authorized bodies or representatives are similarly deemed non-compliant. If such support can be discerned from the financial statements prepared by the companies themselves, even without an explicit declaration, this is treated as equivalent to a public statement by the companies. Therefore, it is not permissible to form partnerships with, invest in, or facilitate the business and transactions of companies engaged in or supporting such actions.

Companies established in compliance with participation finance principles and standards lose their compliance status if they engage in activities prohibited under Articles 1.2 and 1.5 of the standards or amend their articles of association to permit such activities. In such cases, it is not permissible to invest in these companies or to hold their shares. Therefore, it is essential for investors sensitive to participation finance principles to promptly ascertain the latest status of these companies, review their investments accordingly, and maintain confidence in the sector. A share represents the division of a company's value and assets into equal parts. According to Islamic principles, this division must be based on the actual value of the company. This ensures the avoidance of fraud (hilah), exploitation (gabin), and uncertainty (tağrir), which are causes of contractual corruption and negatively impact transactions. The prohibition against the transfer of ownership in a manner that is displeasing to people and contrary to religious-legal rulings (Surah An-Nisa 4:29) also necessitates this. Since shares correspond to equal parts of the company, newly issued shares must also have the same value as existing shares. Any deviation from this would result in unfair competition, unjust enrichment, and deception, all of which are prohibited in Islam.

Since shares represent proportional equal ownership in the company, shareholders equally share in profit or loss. At this point, every shareholder holds the same rights and responsibilities. This aligns with the requirements of fairness, justice, and mutual consent in contractual agreements. Therefore, during liquidation, it is not legitimate for any shareholder to receive a prioritized share of the capital or to be granted priority in profit distribution over other shareholders. Since such practices are not legitimate, the issuance of such privileged shares is not permissible.

However, as the management of a company requires a certain level of professionalism and managerial success benefits all shareholders, it is permissible to issue shares that grant privileges related to directing and managing the company to individuals with the necessary capabilities.

The right to decide who will be accepted as new shareholders and whose shares will be increased belongs to the legal entity of the company. Therefore, there is no objection to issuing privileged shares that grant priority rights to acquire shares during a capital increase. The company may need this as a precaution to protect itself from potential harm that could arise from changes in the shareholder structure.

2. Justifications for Rulings Related to Legal Transactions Involving Shares

According to the principle of ibaha-i asliyya (original permissibility), it is permissible to establish companies whose purpose and activities are permissable (mubah), and similarly, it is permissible to buy and sell shares of such companies. However, share trading must be free from manipulation, speculation that may amount to gambling, and any kind of fraud. Transactions involving these elements are considered haram due to their nature as unjust gains.

Even if a company’s assets include cash and/or receivables, its market value is comprised of the sum of its tangible and intangible assets, such as its brand, customer portfolio, licenses, and privilege rights. In this case, cash and/or receivables are subordinate to the other elements that make up the company’s total value. Therefore, restrictions related to the trading of cash and/or receivables do not apply to the buying and selling of shares.

Since interest (riba) is fundamentally prohibited in Islam, it is not permissible to purchase shares through direct or indirect interest-based transactions. This includes purchasing shares through a method known as bay' al-hamish (margin sales). In bay' al-hamish, the buyer pays a portion of the share price (hamish) upfront and obtains an interest-based loan from a brokerage firm for the remaining amount. The purchased shares are pledged as collateral for the loan. Since the buyer uses an interest-based loan to purchase the shares, this transaction is not permissible.

It is not permissible for a person to sell shares that they do not own (short selling). This is because it falls under the category of selling something that is not in one's ownership, which is prohibited according to relevant Islamic texts (nass) and established principles of Islamic jurisprudence. Additionally, short selling involves elements prone to manipulation and resembles gambling, making it impermissible.

Once a share passes into a person’s ownership—since in Islamic law, ownership in commutative contracts (uqud al-muawadah) is transferred directly through the contract—it may be sold to another party or subjected to other legitimate transactions even before the final registration, which is a formal requirement and not essential for the transfer of ownership.

A share may serve as the sales price (ra’s al-mal) in a salam contract, but it cannot be the subject matter (muslamun fih) of the salam contract. This is because the object of a salam contract is a debt (dayn), not a specific tangible asset (‘ayn). However, shares of a company represent a specified asset, as they pertain to a particular company explicitly identified in the contract. Although shares may resemble fungible goods in some aspects, their limitation to a specific company makes it more appropriate to compare them to the produce of a particular field designated in a salam contract. Furthermore, when the salam (prepaid forward sale) contract matures, there is a possibility that the shares of a particular company may no longer be available in the market, preventing the seller from delivering the promised asset. This introduces a risk and uncertainty (gharar) that negatively impacts the validity of the contract.

It is not permissible to enter into futures contracts based on shares. This is because, in most cases, the seller involved in a futures contract is selling shares that they do not own. Additionally, in such transactions, the price is not determined at the time of the contract but left to the fluctuations of the market. The parties engage in this transaction based on the anticipation of future price increases or decreases, which closely resembles gambling. In a futures contract, the primary purpose is different from that of legitimate contracts, as it involves taking risks and profiting from the anticipated losses of the other party. This aspect negatively impacts the permissibility of the contract under Islamic law.

The key feature distinguishing options from other derivative transactions is that, in options, the buyer of the option purchases the right, for a certain fee, to either buy or sell a specific share at a predetermined date. However, according to Islamic law, options contracts involving shares are also impermissible. This is because the option right, which is the subject of the contract, is not among the rights that can be lawfully bought or sold. In options contracts within financial markets, the subject of the transaction is a mere right to buy or sell after the contract is established. This abstract (*mujarrad*) right does not grant the holder a tangible ownership right over an object, as is the case with rights like the right of preemption (*shuf'ah*) or custody rights (*hidhanah*), which also cannot be bought or sold. Moreover, options contracts involve elements such as interest (*riba*), gambling (*maysir*), excessive uncertainty (*gharar*), and selling what one does not own, all of which are prohibited in Islam. Consequently, options contracts cannot be approved from the perspective of Islamic jurisprudence.

A share swap is a bilateral contract in which one party pays the return of a share or share index to the other party and, in return, receives either a specified interest payment or the return of another share or share index. Swap contracts based on shares are not permissible. This is because, in swap transactions, both considerations are deferred, which constitutes the sale of a debt for another debt (bay' al-dayn bi al-dayn), a practice prohibited in Islamic law. Furthermore, in such contracts, the amounts of the obligations are not fixed but are left to the fluctuations of the market. The lack of a predetermined debt amount at the time of the agreement introduces uncertainty (gharar). Additionally, swap transactions are carried out based on expectations of differences in future average returns of shares rather than the primary objectives of legitimate contracts, such as sale or exchange. This speculative nature closely resembles gambling (maysir). Due to these issues, including uncertainty, speculation, and the sale of debt against debt, it is not permissible to conduct transactions through swaps involving shares.

Although shares resemble fungible goods in some aspects, their susceptibility to market fluctuations and the resulting potential for significant increases or decreases in value make it likely to cause disputes between parties and lead to unjust gains. On the other hand, a share represents a certificate of partnership in a company, and lending (qard) within partnerships is not customary (ma'hud). For these reasons, it has been concluded that lending shares is not permissible.

It is permissible to use shares as collateral in a pledge (rahn) contract. According to one of the fundamental rules of a pledge contract, anything that can be lawfully sold can also be pledged. Since shares can be sold, they can, in principle, also be pledged. The primary purpose of a pledge is to provide the creditor with security for recovering their claim. Additionally, an important aspect of a pledge is that the pledged item should be convertible into cash when necessary, enabling the creditor (murtahin) to sell it and recover their claim. Since pledged shares align with the primary purpose and legal outcome of a pledge, pledging shares is considered permissible.

A lease (ijarah) contract involves the transfer of usufruct in exchange for compensation. Since shares, by their fundamental nature, do not fall under the category of usable goods, it is not possible to derive direct usufruct from them. Therefore, shares cannot be the primary subject matter of a lease contract. Moreover, such a lease would involve charging compensation for something that does not inherently exist as usufruct in a commutative contract (aqd al-muawadah), which would render the transaction akin to an interest-bearing (riba) arrangement.

Ariyah refers to the transfer of the right to use a property (usufruct) to another party without compensation. One of the conditions of ariyah is that the item lent must not be consumed, and it must remain intact while benefiting from it. For this reason, money, which is consumed upon use, cannot be given as ariyah. Additionally, the item given as ariyah must be specific and its exact original form must be returned. Since a share represents a specific tangible asset ('ayn), it can be lent as ariyah. In this case, the share is lent as ariyah for the purpose of being pledged. This constitutes a type of use. Although shares resemble consumable goods, in this context, they take on the characteristics of a usable item and can be lent as ariyah. As no compensation is provided for the benefit derived in this arrangement, the transaction is considered a form of charitable lending (tabarru), and since it does not involve interest (riba), there is no Shariah objection to lending shares as ariyah.

3. Justifications for the Ruling on Transactions Involving Shares of Companies with Lawful Activities but Occasionally Engaging in Prohibited Activities

A Muslim must act in accordance with Islamic principles in every aspect of life and avoid attitudes and behaviors that contradict these principles. However, there are exceptional rulings granted as concessions for specific circumstances. This is supported by the general maxims stated in the Majalla, such as: "Hardship begets ease" (Article 17), "When an affair becomes constricted, it expands" (Article 18), "Necessities render prohibited things permissible" (Article 21), "Necessities are assessed according to their extent" (Article 22), "Needs, whether general or specific, are treated as necessities" (Article 32). At the same time, it is understood that the continuation of exceptional rulings granted due to a valid excuse is conditional upon the persistence of that excuse. This is also articulated in the Majalla as follows, "That which is permitted due to an excuse becomes void upon the removal of the excuse" (Article 23) and "When the obstacle is removed, the prohibition returns" (Article 24).

In some cases, companies may be compelled to utilize certain facilities offered by central banks or conventional banks that are inconsistent with the principles of interest-free finance in order to sustain their operations. Considering such situations, it has been deemed necessary to establish exceptional rulings when determining the compliance of publicly traded joint-stock companies with participation finance principles and standards. As a principle, it is essential that transactions falling within the scope of these exceptional rulings are kept to a minimum. Additionally, when determining the permissible tolerance levels for transactions that deviate from the stated principles and standards, the maxim "Necessities are assessed according to their extent" (Majalla, Article 22) has been adopted as a guiding criterion. In determining these maximum tolerable levels, an effort has been made to align the necessities of economic and commercial life with certain ratios established in Islamic jurisprudence.

With this justification:

a) The interest-bearing debts must not exceed 33% of the company’s total assets.

b) The assets and rights held in interest-bearing deposit accounts must not exceed 33% of the company's total assets.

c) The income derived from interest-based transactions, due to commercial necessities and exceptional circumstances, as well as income from the retail sale of harmful tobacco and tobacco products, when combined with other impermissible income, must not exceed 5% of the company's total income.

Interest (riba), which Islam strongly opposes and regards as a major tool of exploitation, is embedded in many regulations related to commercial life and economic activities today. Furthermore, it occasionally becomes an unavoidable tool for companies. At times, even when not required by regulations, companies may face the necessity of utilizing this tool temporarily to survive amid significant market fluctuations. Considering such situations and the broader benefit (maslahah) of enabling Muslims to remain active participants in global trade, it has been deemed permissible to tolerate the aforementioned ratios.

This regulation has been introduced to prevent companies from immediately losing their compliance with participation finance principles and standards due to minor and recoverable fluctuations in borrowing ratios, such as the use of interest-bearing loans, which could harm their operations. Additionally, it aims to ensure stability in this regard. Through this arrangement, companies are granted time to adjust their ratios to the limits specified in the standards. This practice also prevents investors and funds holding the company's shares from being forced to sell the shares in a very short period, thereby avoiding potential financial losses. For example, in the case of the 33% limit for the use of interest-bearing loans, if this ratio is exceeded by up to 10% (reaching a total of 36.3%), a six-month grace period is allowed. However, if the use of interest-bearing loans exceeds this by more than 10% (e.g., reaching 36.4% or above), the shares immediately lose their compliance with participation finance principles and standards. Similarly, for the 5% limit on income derived from certain exceptional interest-based transactions or the retail trade of harmful tobacco or tobacco products, if the limit is exceeded by up to 10% (reaching a total of 5.5%), the evaluation is deferred to the next review period. However, if this limit is exceeded by a larger margin, the shares lose compliance immediately. The allowance for a certain amount of income from the retail trade of harmful tobacco or tobacco products stems from the fact that, although these products are harmful to health, there is no definitive evidence declaring their consumption as haram. Consequently, there has been no unanimous agreement among scholars, either historically or in the present day, on their prohibition.

The exceptional rulings provided here neither render what is haram permissible nor constitute permanent or definitive rulings. As a principle, it is not permissible for Muslim individuals or companies they establish or are partners in to earn income through means and transactions deemed haram by Islam. Therefore, income obtained through impermissible means, as outlined above, must be disposed of to ensure that the remaining portion of the total income is clean and purified. Islamic jurists (fuqaha) use the term habis (impure) for income and property acquired through illegitimate means. They stipulate that such wealth, when the rightful owner is unknown, must be given as charity (tasadduq) (Al-Sarakhsi, Al-Mabsut, XII, 172, Beirut, 1989). Imam Al-Ghazali also states that such wealth should be spent on public services that benefit the general Muslim community, such as roads and bridges (Ihya Ulum al-Din, II, 130, Beirut, n.d.). Based on this understanding, it has been adopted that income obtained through impermissible means should be allocated for charitable purposes.

4. Justification for the Ruling on Transactions Involving Shares of Companies Whose Assets Primarily Consist of Cash and/or Receivables

A joint-stock company is a legal entity formed by the combination of its assets, shareholders, employees, name, and all associated rights, with its value determined by the totality of these elements. A share, therefore, does not merely represent a right over the company's assets; rather, it signifies ownership in the company itself, which owns these assets and rights. In this context, the shares of companies whose assets primarily consist of receivables and cash do not directly represent ownership of these receivables and cash but rather indicate a proportional ownership in the company that possesses them. Thus, such shares cannot be classified purely as receivables or cash equivalents. Consequently, these shares are not subject to the rulings applicable to the trading of receivables or cash. Therefore, the amount or proportion of receivables or cash held by companies with legitimate primary activities does not necessitate the imposition of specific conditions for transactions involving their shares.