



HIGH-LEVEL CONTROLS MODULE



MODULE	HC: High-Level Controls
CHAPTER	HC-9: Takaful and Retakaful Companies

HC-9.4 Terms of Appointment and Competence of the SSB

HC-9.4.1 The appointment of the SSB must be made formally in writing, by way of a contract for service for a minimum period of three years.

HC-9.4.2 Benefits and remuneration of the SSB must be set in aggregate by the general assembly.

HC-9.4.3 Where the Takaful/retakaful licensee fails to appoint the SSB within 3 months of the annual general meeting or to extend the term of the previous SSB, the CBB has the right to appoint a temporary SSB for which all costs related to the appointment will be borne by the Takaful/retakaful licensee in addition to any liabilities related to the delay in the appointment of the SSB.

SSB Competence/ Fit and Proper Criteria

HC-9.4.4 The Board of directors of the insurance licensee must carry out a background check and consider the following criteria when assessing the fitness and propriety of individuals to serve on the SSB:

- (a) Have a clean background, a good character and conduct by being recognised for honesty, integrity and good reputation in their professional business and/or financial dealings, and not previously been convicted of any moral turpitude, felony or criminal offence;
- (b) Have competence, diligence, capability and soundness of judgement;
- (c) Have strong proficiency in Arabic, as they need to be very conversant with the primary sources of the Shari'a;
- (d) Have at least a bachelor degree (or its equivalent) in Islamic Shari'a;
- (e) Have a certified degree in Fiqh al Muamalat (Islamic commercial jurisprudence) with strong understanding of Usul Al Fiqh (rules of Islamic jurisprudence);
- (f) Have adequate understanding of Takaful/retakaful and accounting;
- (g) Have accumulated overall experience of at least seven years in Shari'a related scholarly pursuits (e.g. teaching, research, fatawa issuance, etc).

HC-9.4.5 For purposes of Paragraph HC-9.4.1, at least one SSB member should have a fair understanding of the legal and regulatory framework applicable to the functions of the insurance licensee.