



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 and/or Retakaful insurance 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 Bahraini Islamic bank 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.