

## Summary of amendments to the Risk-Based Capital Framework for Takaful Operators (RBCT)

**Issuance Date: 17 December 2018**

1. The issuance of this RBCT is to introduce a new policy with respect to the assets pledged for the purpose of Shariah-compliant repurchase agreement (repo) and to clarify submission requirements by the licensed takaful operators.
2. The specific updates in the relevant paragraphs in this RBCT are listed in the table below.

No.	Changes	References
1	<p><b>Amendments to deduction from total capital available (TCA)</b></p> <p>Assets pledged for a Shariah-compliant repurchase agreement (repo) entered into by a licensed takaful operator are recognised under the TCA, subject to a limit.</p>	<p>(i) Paragraph 6.2 (Part A Overview)</p> <p>(ii) Paragraph 9.10 (Part B Capital Adequacy)</p>
2	<p><b>Editorial updates and clarification</b></p> <p>(i) Submission of supplementary information on sources of surplus arising.</p> <p>(ii) Revised list of takaful operators.</p>	<p>Paragraph 21.6 (Part E Capital Adequacy Position Reporting Submission)</p> <p>List of “Name of Takaful Operator” (General Info – RBCT Reporting Forms)</p>

**Issuance Date: 31 May 2017**

1. The issuance of the RBCT is to update its content to align with the provisions under the Islamic Financial Services Act 2013 (IFSA). Please note that the changes in this RBCT include the following:
  - (a) references to the repealed Takaful Act 1984 and the Islamic Banking Act 1983 have been substituted with the corresponding provisions under IFSA and any other relevant legal instruments or documents currently applicable to the licensed takaful operators, as the case may be; and
  - (b) general editorial amendments to enhance clarity.
2. The specific updates in the relevant paragraphs in the RBCT are listed in the table below:

No.	Changes	References
1	<p><b>Updates to Legal Provisions paragraph to align with the IFSA effective 1 June 2017</b></p> <p>(i) Revocation of registration condition on imposition of the RBCT to licensed takaful operators; and</p> <p>(ii) Specification of RBCT as prudential standards pursuant to section 57 of the IFSA and application of section 155 on requirement relating to submission of documents or information to the Bank.</p>	<p>Paragraph 3.1 and paragraph 6.1 (Part A Overview)</p>
2	<p><b>Editorial updates and clarification</b></p> <p>(i) Amendments to the terms used in the RBCT to be consistent with corresponding definitions under IFSA, Financial Services Act 2013 (FSA), and Development Financial Institutions Act 2002 (DFIA).</p> <p>(a) Licensed takaful operators (to replace “takaful operators”);</p> <p>(b) Licensed banks and licensed investment banks (to replace “institutions licensed under the Banking and Financial Institutions Act 1989”);</p> <p>(c) Licensed Islamic banks (to replace “institutions licensed under the Islamic Banking Act 1983”); and</p> <p>(d) Prescribed development financial institutions (to replace “institutions prescribed under the Development Financial Institutions Act 2002”).</p> <p>(ii) Editorial enhancements for greater clarity and to facilitate continued enforcement of the requirements.</p>	<p>Throughout the RBCT</p> <p>Throughout Appendix I Credit Risk Capital Charges and Appendix III Investment and Individual Counterparty Limits</p> <p>Throughout the RBCT</p>