

The logo for Wasiyyah Shoppe features the company name in a bold, sans-serif font. 'WASIYYAH' is written in red and 'SHOPPE' is in blue. The text is centered on a yellow rectangular background that has a slightly distressed, hand-drawn appearance with grey brushstroke-like edges.

**WASIYYAH SHOPPE**

**WASIYYAH SHOPPE BERHAD**

**TERMS OF REFERENCE FOR INDEPENDENT SHARIAH PANEL**

6 November 2019

## 1. INTRODUCTION

Independent Shariah Panel ("ISP") plays a critical role in ensuring comprehensive compliance with Shariah rules and principles at all times and in all aspects of the Company's business operations and activities.

The ISP shall be formed by the Board and the panel members shall be appointed by the Board.

## 2. AUTHORITY

The ISP has the authority to execute functions as stated in its Terms of Reference and report to the Board with recommendations.

The authorities are as follows:

- Authority to decide on Shariah related matters by taking into consideration of the published rulings by regulators and other relevant authorities;
- Authority to decide on Shariah related matters without undue influence that would hamper the ISP from exercising objective judgment in deliberating issues brought before them;
- Authority to ensure that decision made by the ISP in relation to Shariah are duly observed and implemented by the Company;
- Decisions made by the ISP in related to shariah should not be set aside or modified without its consent;
- Access to accurate, timely and complete information from the management including but not limited to all relevant records, transactions, or manuals as required by them in performing their duties; and
- If the information provided is insufficient, the ISP may request for additional information which shall be duly provided by the Company.

## 3. MEMBERSHIP

- Chairman and members of the ISP shall be appointed by the Board, which not consist of the members of the Board.
- The composition of ISP shall be changed upon recommendation and decision of Board.

4. Experts from relevant backgrounds such as finance and law, which could support the depth and breadth of deliberations, may also be appointed as a member of ISP.

## 5. MEETING

- The ISP meetings shall be held at a minimum of 3 meetings in a year.
- The quorum for a meeting of the ISP shall be more than 50% of members, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and hear each other.
- In absence of the Chairman, the members present shall elect from amongst the members present to be chairman of the meeting.
- Agenda for the meeting shall be circulated at least seven (7) working days before each meeting, to the ISP members and all those who are required to attend the meeting.
- In order to allow sufficient time for members to consider and better deliberate on matters that are tabled to the ISP, the papers, relevant information and agenda items are to be circulated at least 3 (three) working days before each meeting to the members of the meeting.

## 6. FUNCTIONS & DUTIES

The primary duties and responsibilities of the ISP are to:

- a. Perform an oversight role on Shariah matters related to the Company's business operations and activities including oversight requirements;
- b. Advise the Board and Management on Shariah related matters in order for the Company to comply with Shariah rules and principles at all times.
- c. ISP members are responsible and accountable for all Shariah decisions, opinions and views provided by them.
- d. Endorse Shariah related policies and guidelines.
- e. Approve products and services to ensure compliance with Shariah rules and principles which include:
  - i. validating the terms and conditions contained in the forms, contracts, agreements or legal documents used in executing the transactions; and
  - ii. validating the product manuals, marketing advertisements, sales illustrations and brochures used to describe the product and services.

- f. Assess work executed by Shariah review and Shariah audit which forms part of the ISP duties in providing assessment of Shariah compliance.
  - g. Advise related parties such as clients, legal counsels, auditors or consultants on Shariah matters upon request.
  - h. Provide written Shariah opinions in circumstances where the Company submits application for new product approval.
- 

This space is intentionally left blank