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Name of Proposed Licensee



CENTRAL BANK OF BAHRAIN

**Form 1:
Application for Approval as a Licensed Member**

Form 1: Application for Approval as a Licensed Member
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Form 1: INSTRUCTIONS

1. Details of the application process to license an SRO member (licensed member) are to be found in Chapter MIR-2, Volume 6 of the CBB Rulebook.
2. Applicants for a license must submit a duly completed 'Form 1: Application for Approval as a Licensed Member', and 'Form 3: Information on CEO and Directors' under cover of a letter signed by an authorised signatory of the applicant. Various supporting documentation – specified in the Form – must also be appended to the application; these include a non-refundable application fee of BD100 (refer to Paragraph MIR-2.2.9 (c)).
3. References to applicant mean the proposed licensee seeking authorisation. An applicant may appoint a representative – such as a law firm or professional consultancy – to prepare and submit the application. However, the applicant retains full responsibility for the accuracy and completeness of the application, and is required to certify the application form accordingly. The CBB also expects to be able to liaise directly with the applicant during the authorisation process, when seeking clarification of any issues.
4. Complete all sections as fully as possible, attaching supporting documents and continuation sheets where appropriate. Attach annex(es) signed by the signatories, if there is insufficient space for your answers. The application should be written in black ink in BLOCK CAPITALS or typed.
5. Failure to provide all the required information may result in significant delays in processing the application. The CBB does not accept responsibility for any loss caused to the applicant by any such delay.
6. Place a tick (✓) in the relevant boxes where appropriate. Where there is an asterisk (*), delete whichever is inapplicable. If any question is not applicable given your particular circumstances, please clearly indicate by marking 'N/A', with an explanation as to why it does not apply. Please provide a full explanation for any question that cannot be answered at this stage. Please note that failure to provide the required information may prejudice an application and may cause delay.
7. This application must be accompanied by the following:
 - (i) certified true copies of the applicant's Memorandum and Articles of Association, certificate of incorporation or alternate constitutional documents with all subsequent amendments; and
 - (ii) a Bahraini Dinar cheque or Bahraini Dinar bank draft drawn in favour of CBB for the non-refundable application fee.
8. All documentation provided to the CBB must be in either the Arabic or English languages. Any documentation in a language other than English or Arabic must be accompanied by a certified English or Arabic translation thereof.



Form 1: INSTRUCTIONS (Continued)

9. The **original** completed form, together with supporting documentation, should be submitted to:

The Director, Capital Markets Supervision Directorate
Central Bank of Bahrain
PO Box 27
Manama
Kingdom of Bahrain

10. Queries may be addressed to the Director, Capital Markets Supervision Directorate, on +973 17 547907 (telephone), +973 17 532957 (fax) and ali@cbb.gov.bh (e-mail).
11. The CBB may, within 30 days from the date of submission, require an applicant to furnish it with amendments or such additional information or documents as the CBB considers necessary in relation to the application.
12. In order for a license to be granted, applicants must have provided all the required information, as specified in rule MIR-2.2.9, and demonstrated their ability to comply with the minimum licensing conditions specified in rule MIR-2.2.10, of Volume 6 of the CBB Rulebook.
13. Applicants are reminded that no person in the Kingdom of Bahrain may hold himself out as a licensed member unless duly licensed by the CBB (see paragraph MIR-2.2.2).
14. If there are any changes in the information furnished in the application prior to the completion of the review of this application, the Central Bank of Bahrain (CBB) should be notified immediately.
15. Finally, applicants are also reminded that providing to the CBB any information which is false or misleading in connection with the submission of this application or any related information may result in the refusal of the application or, if discovered later, the subsequent cancellation of any license issued.



Form 1: DECLARATION

We certify that we have read and understood the provisions of the CBB and Financial Institutions Law 2006 (and any regulations issued thereunder). In particular, (i) we are aware that it is an offence under the above law fraudulently or negligently to provide to the Central Bank of Bahrain (CBB) any information which is false or misleading in connection with an application for a license or otherwise; and (ii) we are aware that it is an offence to carry on the business for which a license is hereby sought without such license being granted.

We certify that the information given in answer to the questions above is complete and accurate to the best of our knowledge and belief and that there are no other facts relevant to this application of which the CBB should be aware. We are also aware that we may be subject to civil and/or criminal liability or such action that may be taken by CBB or any other regulatory authority if any of the above stated information are subsequently found to be false or misleading information. We also confirm that no business of the type for which this license is now sought will be carried on by us prior to obtaining such license.

We undertake to inform the CBB of any changes material to the application that may arise while the CBB is considering the application. We further undertake that, in the event that the institution is granted the license which is hereby sought, we will notify the CBB of any material changes to or affecting the completeness or accuracy of, the information provided in this form as soon as possible, but in any event no later than 14 days from the day that the changes come to our attention.

The above declaration must be signed by at least two major proposed controllers (with an interest in the future licensee in excess of 10%). In the case of controllers that are legal persons, the declaration must be signed by 2 directors and bear the corporate seal.

WHERE THE PROPOSED CONTROLLER IS A NATURAL PERSON:

_____ Name of applicant (please print name)	_____ Signature of applicant	_____ Date
_____ Name of applicant (please print name)	_____ Signature of applicant	_____ Date

WHERE THE PROPOSED CONTROLLER IS A LEGAL PERSON:

_____ Director (print name)	_____ Signature of director	_____ Date
_____ Director (print name)	_____ Signature of director	_____ Date



Form 1: Contact Information

Please provide full contact details of person(s) with whom the CBB can communicate regarding this application. At least one of the contact points must be a principal of the applicant.

Contact Point 1

Name: _____

Title: _____

Capacity¹: _____

Tel: _____

Fax: _____

E-mail: _____

Contact Point 2 (if applicable)

Name: _____

Title: _____

Capacity¹: _____

Tel: _____

Fax: _____

E-mail: _____

¹ (e.g.: professional adviser to the applicant, proposed director of applicant.)

Form 1: Section I – License Type

Please complete all fields:
1. Name of applicant:
2. This application is hereby made for approval or recognition under Article 39 of the Central Bank of Bahrain and Financial Institutions Law 2006 as: ___ A licensed member

Form 1: Section II – Information on the Applicant

Please provide the following corporate information:

1. Address, telephone number and facsimile number of the principal place at which the business of the applicant is/is to be* carried out:

2. E-mail address and URL of the applicant's internet web page (if applicable):

3. Location of registered office (address and country):

4. Form of corporation (e.g. incorporated association/mutually held/demutualised; publicly listed/private held, etc.):

5. Date and place of incorporation:

6. The applicant's authorised and paid-up capital, including relevant details of shares issued or to be issued (e.g. types, number and issue price):

7. Attach an organisation chart showing the key officers and employees of the applicant and their respective reporting lines.

8. Attach an organisation chart demonstrating the applicant's relationships with its related corporation(s).



Form 1: Section II – Information on the Applicant (Continued)

Provide relevant information about the applicant's business plans and operations:

1. Detailed information on the securities or other contracts that it will trade by the applicant on the SRO's market.
2. The category of membership in the SRO.
3. The nature of prospective (if any) clients/investors who may use the services of the applicant in Bahrain or outside Bahrain (e.g. institutional, accredited, expert, retail, etc.).
4. Any affiliation between the applicant and other licensed members, such as common owners, directors or officers.
5. The manner in which the different categories of clients/investors would access the applicant's services (e.g. online, telephone, etc.).
6. The applicant's operations (provide transaction flowcharts or diagrams, where relevant), proposed revenue sources, and projected volume and value of transactions that would be conducted through the applicant.
7. Provisions made for regulating the entering into of mandates between the applicant and clients/investors (the applicant should provide a copy of the mandate).
8. Any other relevant information which may help in processing this application.



Form 1: Section II – Information on the Applicant (Continued)

Describe and demonstrate, with supporting documents or information, how the applicant will:

1. Satisfy each of the general obligations applicable to licensed members, as the case may be, as set forth in Chapter MIR-4 of Volume 6 of the CBB Rulebook.
2. Comply with the requirements of the CBB and Financial Institutions Law 2006.
3. Maintain internal controls and manage the risks associated with the operation.
4. Have adequate means of supervising its officers and employees.
5. Have adequate means to deal with any conflicts of interest that may arise.

Note:

Relevant supporting documents or information to be provided include but may not be limited to the applicant's:

1. Systems and procedures governing the use of the facilities of the SRO, to which the applicant is a member.
2. Information on key officers and employees (including names, addresses, relevant experience, qualifications, etc.).
3. Fees charged to clients/investors for the use of the services of the member.
4. Measures to inform clients/investors of the peculiar risks arising from investing in the market, including risk disclosure statements, if any.
5. Risk management systems, including procedures relating to internal audit, internal controls, security, and the granting of credit.
6. Business continuity plan and system capacity planning procedures.
7. Human resources policies and procedures, including information on the staffing levels of key functions (such as market control, market surveillance, compliance).



Form 1: Section II – Information on the Applicant (Continued)

If the applicant or any of its related corporations are operating in similar market(s) in any other jurisdiction(s), provide relevant information with regards to:

1. The name(s) of such market(s):

2. The name(s) of such jurisdiction(s):

3. The name(s) of any supervisory authority, including any self-regulatory organisation, which exercises oversight over the applicant or its related corporations in the aforementioned jurisdiction(s):

4. Evidence of the applicant's authorisation to operate in these jurisdictions, including a copy of any conditions imposed on the applicant:

5. Documentation that would allow the CBB to consider if the requirements and supervision that the applicant is subject to are sufficiently equivalent to the requirements and supervision falling under Module MIR of Volume 6 of the CBB Rulebook, e.g. a summary of the laws, legislation, regulations and rules applicable to the applicant in these jurisdiction(s).



Form 1: Section II – Information on the Applicant (Continued)

Please provide the following relevant information:

1. If applicable, provide the name of any person (other than the applicant) that will be involved in managing or operating material aspects of the applicant's operations on behalf of the applicant. Provide a description of the role and responsibilities of each person to which the applicant has delegated or outsourced its operations.
2. Give an outline of the applicant's plans with regard to the operation and expansion of its business in Bahrain and abroad (if applicable) over the next 3 to 5 years. The outline should include financial projections on the resources available to maintain its facilities.
3. If applicable, provide description(s) of the applicant's business(es), other than those that fall under its membership of an SRO.
4. If applicable, provide the name(s) and description(s) of any related corporation to the applicant that is operating in Bahrain as a bank, merchant bank, finance company, insurer, trust company, designated clearing house, licensed holding company, or otherwise licensed by the CBB.

Form 1: Section II – Information on the Applicant (Continued)

Attach certified true copies of the most recent auditor's report, audited balance-sheet, and audited profit and loss statement. In addition, attach a report by the directors of the applicant stating whether, from the date of the most recent auditor's report to a date not earlier than 14 days before the date of the application:

1. These aforementioned financial documents have, in their opinion, been satisfactorily maintained.
2. If there has, in their opinion, arisen any circumstance adversely affecting the applicant's operation or the value of its assets.
3. The current assets appear in the books at values which are believed to be realisable in the ordinary course of business.
4. If there are any contingent liabilities by reason of any guarantees given by the applicant or any of its subsidiaries, or by any other reason.
5. If there are any changes in reserves or any unusual factors affecting the profit of the applicant and its subsidiaries.

Form 1: Section III – Information on Chief Executive Officer and Directors

Complete and attach Form 3 “Information on Chief Executive Officer and Directors” for the purpose of completing this Part.



Form 1: Section IV – Information on Shareholders and Subsidiaries

Complete and attach Form 2 “Information on Shareholders and Subsidiaries” for the purpose of completing this Part.



Form 1: Section V – Fit and Proper Criteria

If the answer to any of the following questions is in the affirmative, attach annexes and supporting documents, where appropriate, to provide all relevant particulars. If there is any doubt with respect to any part of this section, please provide all relevant information to demonstrate that the applicant and its shareholders are considered to be fit and proper persons.

<u>Honesty, Integrity and Reputation:</u> Within the past 10 years, has the applicant or any of its individual substantial shareholders, corporate substantial shareholders (including related corporations), or any director or chief executive officer of the applicant:	
Been licensed, registered or approved under any law in any jurisdiction which requires licensing, registration or approval in relation to any regulated activity?	Yes No
Been licensed, registered, or otherwise authorised by any law to carry on any trade, business (including sole proprietorships and partnerships) or profession (including accountancy, engineering, law and architecture) in any jurisdiction?	Yes No
Been refused the right or restricted in its or his right to carry on any trade, business or profession for which a specific license, registration or other authorisation is required by law in any jurisdiction?	Yes No
Been issued a prohibition order under any Law or Directive administered by the CBB, whether in the Kingdom of Bahrain or elsewhere, or has been prohibited from operating in any jurisdiction by any financial services regulatory authority?	Yes No
Been censured, disciplined, suspended or refused membership or registration by the CBB, whether in the Kingdom of Bahrain or elsewhere, any other regulatory authority, an operator of a market or clearing facility, any professional body or government agency, whether in Bahrain or elsewhere?	Yes No
Been the subject of any complaint made reasonably and in good faith relating to activities regulated by the CBB, whether in the Kingdom of Bahrain or elsewhere, or under any law in any jurisdiction?	Yes No
Been the subject of any proceedings of a disciplinary or criminal nature or been notified of any potential proceedings or of any investigation which might lead to those proceedings, under any law in any jurisdiction?	Yes No



Form 1: Section V – Fit and Proper Criteria (Continued)

Honesty, Integrity and Reputation: Within the past 10 years, has the applicant or any of its individual substantial shareholders, corporate substantial shareholders (including the corporate's related corporations), or any director or chief executive officer of the applicant:		
Been convicted of any offence, served any term of imprisonment or is being subject to any pending proceedings which may lead to a conviction of any offence, under any law in any jurisdiction?	Yes	No
Had any civil penalty enforcement action taken against it or him by the CBB, whether in the Kingdom of Bahrain or elsewhere, or any other regulatory authority under any law in any jurisdiction?	Yes	No
Contravened or abetted another person in breach of any laws or regulations, business rules or codes of conduct, whether in Bahrain or elsewhere?	Yes	No
Been the subject of any investigations or disciplinary proceedings or been issued a warning or reprimand by the CBB, any other regulatory authority, an operator of a market or clearing facility, any professional body or government agency, whether in Bahrain or elsewhere?	Yes	No
Been refused a fidelity or surety bond, whether in Bahrain or elsewhere?	Yes	No
Been or is a director, partner, substantial shareholder or concerned in the management of a business that has been censured, disciplined, prosecuted or convicted of a criminal offence, or been the subject of any disciplinary or criminal investigation or proceeding, whether in Bahrain or elsewhere, in relation to any matter that took place while he was a director, partner, substantial shareholder or concerned in the management of the business?	Yes	No
Been or is a director, partner, substantial shareholder or concerned in the management of a business that has been suspended or refused membership or registration by the CBB, any other regulatory authority, operator of a market or clearing facility, any professional body or government agency, whether in Bahrain or elsewhere?	Yes	No



Form 1: Section V – Fit and Proper Criteria (Continued)

<u>Honesty, Integrity and Reputation:</u> Within the past 10 years, has the applicant or any of its individual substantial shareholders, corporate substantial shareholders (including the corporate's related corporations), or any director or chief executive officer of the applicant:	
Been a director, partner, substantial shareholder or concerned in the management of a business that has gone into insolvency, liquidation or administration during the period when, or within a period of one year after, he was a director, partner, substantial shareholder or concerned in the management of the business, whether in Bahrain or elsewhere?	Yes No
Been dismissed or asked to resign, from office, employment, a position of trust, or a fiduciary appointment or similar position, whether in Bahrain or elsewhere?	Yes No
Been or is subject to disciplinary proceedings by his current or former employer(s), whether in Bahrain or elsewhere?	Yes No
Been disqualified from acting as a director or disqualified from acting in any managerial capacity, whether in Bahrain or elsewhere?	Yes No
Been an officer found liable for an offence committed by a body corporate as a result of the offence having proved to have been committed with the consent or connivance of, or neglect attributable to, the officer, whether in Bahrain or elsewhere?	Yes No
Been engaged in the management of any corporation other than those disclosed in Part III (Information On Chief Executive Officer And Directors) of this application in any jurisdiction(s)?	Yes No
Carried on business under any name other than the name or names shown in this application in any jurisdiction(s)?	Yes No

Form 1: Section V – Fit and Proper Criteria (Continued)
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Honesty, Integrity and Reputation: Has the applicant or any of its substantial shareholders, whether the shareholder is an individual or a corporation (including the corporation's related corporations), or any director or chief executive officer of the applicant:

Had any judgment (in particular, that associated with a finding of fraud, misrepresentation, or dishonesty) entered against it or him in any civil proceedings or is a party to any pending proceedings which may lead to such a judgment, under any law in any jurisdiction?	Yes	No
Accepted civil liability for fraud, misrepresentation or dishonesty under any law in any jurisdiction?	Yes	No



Form 1: Section V – Fit and Proper Criteria (Continued)

Financial Soundness: Within the past 10 years, has the applicant or any of its substantial shareholders, whether the shareholder is an individual or a corporation (including the shareholders' related corporations), or any director or chief executive officer of the applicant:

Been or is unable to fulfill any of its or his financial obligations, whether in Bahrain or elsewhere?	Yes	No
Entered into a compromise or scheme of arrangement with its or his creditors, or made an assignment for the benefit of its or his creditors, being a compromise, scheme of arrangement or assignment that is still in operation, whether in Bahrain or elsewhere?	Yes	No
Been or is subject to a judgment debt which is unsatisfied, either in whole or in part, whether in Bahrain or elsewhere?	Yes	No
Been dissolved or is in the course of being wound-up, whether in Bahrain or elsewhere?	Yes	No
Been or is a corporation that has a receiver, receiver and manager, judicial manager, or such other person having the powers and duties of a receiver, receiver and manager, or judicial manager, has been appointed in relation to, or in respect of any property of, the corporation, whether in Bahrain or elsewhere?	Yes	No
Been or is the subject of a bankruptcy petition, whether in Bahrain or elsewhere?	Yes	No
Been adjudicated a bankrupt and the bankruptcy is undischarged, whether in Bahrain or elsewhere?	Yes	No
Been or is the subject of a winding up petition, whether in Bahrain or elsewhere?	Yes	No
Been or is subject to any other process outside Bahrain that is similar to those referred to above?	Yes	No



Form 1: Section VI – Other Information

Set out any additional information relevant or material to this application.



Name of Proposed Licensee



CENTRAL BANK OF BAHRAIN

**Form 2:
Information on Shareholders and Subsidiaries**

Form 2: Information on Shareholders and Subsidiaries
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Form 2: INSTRUCTIONS

1. Applicants must submit this Form in respect of each shareholder or subsidiary together with Form 1. Various supporting documentation – specified in the Form – must also be appended to the application.
2. Complete all sections as fully as possible, attaching supporting documents and continuation sheets where appropriate. Attach annex(es) signed by the signatories, if there is insufficient space for your answers. The application should be written in black ink in BLOCK CAPITALS or typed.
3. Failure to provide all the required information for each shareholder or subsidiary may result in significant delays in processing the application. The CBB does not accept responsibility for any loss caused to the applicant by any such delay.
4. Place a tick (✓) in the relevant boxes where appropriate. Where there is an asterisk (*), delete whichever is inapplicable. If any question is not applicable given your particular circumstances, please clearly indicate by marking 'N/A', with an explanation as to why it does not apply. Please provide a full explanation for any question that cannot be answered at this stage. Please note that failure to provide the required information may prejudice an application and may cause delay.
5. All documentation provided to the CBB must be in either the Arabic or English languages. Any documentation in a language other than English or Arabic must be accompanied by a certified English or Arabic translation thereof.
6. The **original** completed form, together with supporting documentation, should be submitted as part of the application made under Form 1.
7. Queries may be addressed to the Director, Capital Markets Supervision Directorate, on +973 17 547907 (telephone), +973 17 532957 (fax) and ali@cbb.gov.bh (e-mail).
8. If there are any changes in the information furnished in the application prior to the completion of the review of this application, the Central Bank of Bahrain (CBB) should be notified immediately.

For the purpose of this Form, reference to 'majority shareholder' refers to a person or entity who owns or controls 5% or more of the applicant's shares.



Form 2: INSTRUCTIONS (Continued)

9. Finally, applicants are also reminded that providing to the CBB any information which is false or misleading in connection with the submission of this application or any related information may result in the refusal of the application or, if discovered later, the subsequent cancellation of any license issued.

Form 2: Section I – Group Ownership Structure
--

Provide a diagrammatic representation of the applicant's group ownership structure showing the applicant's shareholders (whether corporation or individual) who hold at least 5% of the applicant's issued share capital, and the applicant's subsidiaries. At each ownership level, provide details of the following:

1. Each shareholder's percentage shareholding ownership in the applicant
--

2. The applicant's percentage shareholding ownership in each of its subsidiaries
--



Form 2: Section II – Parent Entity/Majority Shareholder Details

Provide the following details on the applicant's parent entity (if applicable) or a majority shareholder who is an entity:

1. Name:

2. Address and country of the principal place at which the business is carried out:

3. Telephone number and facsimile number:

4. E-mail address and URL of the internet web page (if applicable):

5. Location of registered office (address and country):

6. Form of entity (e.g., association, corporation, etc.):

7. Date and place of formation or incorporation:

8. Brief description of business or operation functions:

9. Names of the chairman, members of the Board of Directors and chief executive officer of the shareholder:

10. If applicable, list of names and addresses of persons holding 50% or more of the share capital of the shareholder.

11. Attach certified true copies of the latest audited profit and loss account, audited balance-sheet and auditors' report.



Form 2: Section III – Individual Majority Shareholder Details

Provide the following details on the applicant's individual majority shareholder:

1. Name:

2. Residential address and country:

3. Telephone number and facsimile number:

4. Place of birth and date of birth (dd/mm/yy):

5. Nationality:

6. CPR number (for Bahraini citizen or permanent resident)/passport number (for non-Bahraini citizen):

7. Occupation:

8. Directorships held in other corporations:

Form 2: Section IV – Controlling Interest

If anyone, other than those stated as directors and shareholders of the applicant under Form 3 "Information on Chief Executive Officer or Director" or this Form, has ultimate controlling interest in the applicant, or directly or indirectly exercises or has the power to exercise controlling influence over the management and policies of the applicant, give details of each such person including the following:

1. Name:

2. Nationality:

3. CPR number (for Bahraini citizen or permanent resident)/passport number (for non-Bahraini citizen):

4. Address:

5. Occupation:

6. Academic/professional qualifications:

7. Executive directorship held in any other corporation:

Form 2: Section V – Subsidiary Details

Using a separate sheet for each subsidiary, provide the following details on the applicant's subsidiaries:

1. Name:

2. Address and country of the principal place at which the business is carried out:

3. Date and place of incorporation:

4. Brief description of business or functions:
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5. Names of the chairman, other members of the board of directors and chief executive officer:
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Name of Proposed Licensee



CENTRAL BANK OF BAHRAIN

**Form 3:
Information on Chief Executive Officer and Director**

Form 3: Information on Chief Executive Officer and Director
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Form 3: INSTRUCTIONS

1. Applicants must submit this Form in respect of its CEO and each director, together with Form 1. Various supporting documentation – specified in the Form – must also be appended to the application.
2. Complete all sections as fully as possible, attaching supporting documents and continuation sheets where appropriate. Attach annex(es) signed by the signatories, if there is insufficient space for your answers. The application should be written in black ink in BLOCK CAPITALS or typed.
3. Failure to provide all the required information for each director and the CEO may result in significant delays in processing the application. The CBB does not accept responsibility for any loss caused to the applicant by any such delay.
4. Place a tick (✓) in the relevant boxes where appropriate. Where there is an asterisk (*), delete whichever is inapplicable. If any question is not applicable given your particular circumstances, please clearly indicate by marking 'N/A', with an explanation as to why it does not apply. Please provide a full explanation for any question that cannot be answered at this stage. Please note that failure to provide the required information may prejudice an application and may cause delay.
5. Please use a separate form for each director and chief executive officer of the applicant.
6. All documentation provided to the CBB must be in either the Arabic or English languages. Any documentation in a language other than English or Arabic must be accompanied by a certified English or Arabic translation thereof.
7. The **original** completed form, together with supporting documentation, should be submitted as part of the application made under Form 1.
8. Queries may be addressed to the Director, Capital Markets Supervision Directorate, on +973 17 547907 (telephone), +973 17 532957 (fax) and ali@cbb.gov.bh (e-mail).
9. If there are any changes in the information furnished in the application prior to the completion of the review of this application, the Central Bank of Bahrain (CBB) should be notified immediately.
10. Finally, applicants are also reminded that providing to the CBB any information which is false or misleading in connection with the submission of this application or any related information may result in the refusal of the application or, if discovered later, the subsequent cancellation of any license issued.



Form 3: Section I – Chief Executive Officer/Director Details

Please provide the following details for the chief executive officer or the director of the applicant:

1. Name (Mr/Miss/Mrs/Mdm/Dr*):

2. Residential address and country:

3. Status:

____ Chief Executive Officer

____ Director

4. Telephone and facsimile number(s):

Home:

Office:

Facsimile:

5. Place of birth and date of birth (dd/mm/yy):

6. Nationality (for non-Bahraini citizens, please state whether you are a Bahrain permanent resident):

7. CPR number (for Bahraini citizen or permanent resident) / Passport number (for non-Bahraini citizen):

Form 3: Section II – Academic and Professional Qualifications
--

Provide information on the chief executive officer's or director's highest academic and professional qualifications attained in the table below:

Name and location of school/ college/university/institution	Period (mm/yy)		Certificate/diploma/degree awarded/professional qualification
	From	To	

Form 3: Section III – Employment History

Provide information on the chief executive officer's or director's employment history (including periods of part-time employment or unemployment), business and other activities during the past 10 years in the table below:

Name and address of employer (if self-employed, please indicate)	Name of business of employer	Designation and Department	Period (mm/yy)	
			From	To

Form 3: Section IV – Directorships

Set out in the following format information on the chief executive officer's or director's directorships in any corporation:

Name of corporation and place of incorporation	Nature of business	Directorship (executive/non-executive)	Date of appointment (mm/yy)	Percentage shareholding in corporation (if any)



Name of Proposed Licensee



CENTRAL BANK OF BAHRAIN

**Form 4:
Application for Exemption from the Requirements
to be a Licensed Member**

Form 4: Application for Exemption from the Requirements to be a Licensed Member
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Other Information	9/2009



Form 4: INSTRUCTIONS

1. This application is hereby made for exemption from the requirements to be a licensed member (See Section MIR-2.3).
2. Applicants must submit this Form under cover of a letter signed by an authorised signatory of the applicant. Various supporting documentation – specified in this Form – must also be appended to the application.
3. References to applicant mean the proposed licensee seeking exemption. An applicant may appoint a representative – such as a law firm or professional consultancy – to prepare and submit the application. However, the applicant retains full responsibility for the accuracy and completeness of the application, and is required to certify the application form accordingly. The CBB also expects to be able to liaise directly with the applicant during the authorisation process, when seeking clarification of any issues.
4. Complete all sections as fully as possible, attaching supporting documents and continuation sheets where appropriate. Attach annex(es) signed by the signatories, if there is insufficient space for your answers. The application should be written in black ink in BLOCK CAPITALS or typed.
5. Failure to provide all the required information may result in significant delays in processing the application. The CBB does not accept responsibility for any loss caused to the applicant by any such delay.
6. Place a tick (✓) in the relevant boxes where appropriate. Where there is an asterisk (*), delete whichever is inapplicable. If any question is not applicable given your particular circumstances, please clearly indicate by marking 'N/A', with an explanation as to why it does not apply. Please provide a full explanation for any question that cannot be answered at this stage. Please note that failure to provide the required information may prejudice an application and may cause delay.
7. This application must be accompanied by the following:
 - (i) certified true copies of the applicant's Memorandum and Articles of Association, certificate of incorporation or alternate constitutional documents with all subsequent amendments;
 - (ii) a Bahraini Dinar cheque or Bahraini Dinar bank draft drawn in favour of CBB for the non-refundable application fee, as stated in Paragraph MIR-2.3.4.
8. All documentation provided to the CBB must be in either the Arabic or English languages. Any documentation in a language other than English or Arabic must be accompanied by a certified English or Arabic translation thereof.



Form 4: INSTRUCTIONS (Continued)

9. The **original** completed form, together with supporting documentation, should be submitted to:

The Director, Capital Markets Supervision Directorate
Central Bank of Bahrain
PO Box 27
Manama
Kingdom of Bahrain

10. Queries may be addressed to the Director, Capital Markets Supervision Directorate, on +973 17 547907 (telephone), +973 17 532957 (fax) and ali@cbb.gov.bh (e-mail).
11. The licensed member should provide any additional information considered relevant or material to the various parts of this form.
12. If there are any changes in the information furnished in the application prior to the completion of the review of this application, the Central Bank of Bahrain (CBB) should be notified immediately.
13. Finally, applicants are also reminded that providing to the CBB any information which is false or misleading in connection with the submission of this application or any related information may result in the refusal of the application or, if discovered later, the subsequent cancellation of any license issued.



Form 4: DECLARATION

We certify that we have read and understood the provisions of the CBB and Financial Institutions Law 2006 (and any regulations issued thereunder). In particular, (i) we are aware that it is an offence under the above law fraudulently or negligently to provide to the Central Bank of Bahrain (CBB) any information which is false or misleading in connection with an application for a license or otherwise; and (ii) we are aware that it is an offence to carry on the business for which an exemption is hereby sought without such exemption being granted.

We certify that the information given in answer to the questions above is complete and accurate to the best of our knowledge and belief and that there are no other facts relevant to this application of which the CBB should be aware. We are also aware that we may be subject to civil and/or criminal liability or such action that may be taken by CBB or any other regulatory authority if any of the above stated information is subsequently found to be false or misleading information. We also confirm that no business of the type for which this exemption is now sought will be carried on by us prior to obtaining such exemption.

We undertake to inform the CBB of any changes material to the application that may arise while the CBB is considering the application. We further undertake that, in the event that the institution is granted the exemption which is hereby sought, we will notify the CBB of any material changes to or affecting the completeness or accuracy of, the information provided in this form as soon as possible, but in any event no later than 14 days from the day that the changes come to our attention.

The above declaration must be signed by at least two major proposed controllers (with an interest in the future licensee in excess of 10%). In the case of controllers that are legal persons, the declaration must be signed by 2 directors and bear the corporate seal.

WHERE THE PROPOSED CONTROLLER IS A NATURAL PERSON:

_____ Name of applicant (please print name)	_____ Signature of applicant	_____ Date
_____ Name of applicant (please print name)	_____ Signature of applicant	_____ Date

WHERE THE PROPOSED CONTROLLER IS A LEGAL PERSON:

_____ Director (print name)	_____ Signature of director	_____ Date
_____ Director (print name)	_____ Signature of director	_____ Date



Form 4: Contact Information

Please provide full contact details of person(s) with whom the CBB can communicate regarding this application. At least one of the contact points must be a principal of the applicant.

Contact Point 1

Name: _____

Title: _____

Capacity¹: _____

Tel: _____

Fax: _____

E-mail: _____

Contact Point 2 (if applicable)

Name: _____

Title: _____

Capacity¹: _____

Tel: _____

Fax: _____

E-mail: _____

¹ (e.g.: professional adviser to the applicant, proposed director of applicant.)



Form 4: Section I – Information on the Applicant

Please complete all fields:

1. Name of applicant:

2. Address, telephone number and facsimile number of the principal place at which the business of the applicant is/is to be* carried out:

3. E-mail address and URL of the applicant's internet web page (if applicable):

4. Registered office (address and country):

5. Form of corporation (e.g. incorporated association/mutually held/demutualised; publicly listed/private held, etc.):

6. Date and place of incorporation:

7. The applicant's authorized and paid-up capital, including relevant details of shares issued or to be issued (e.g. types, number and issue price):

8. Attach an organization chart showing the key officers and employees of the applicant, and their reporting lines

9. Attach an organization chart showing the applicant and its relationships with its related corporation(s)

10. State the current operations of the applicant within the Kingdom of Bahrain



Form 4: Section I – Information on the Applicant (Continued)

Provide relevant information on the applicant's business plans and operations, including information such as:

1. Detailed information on the securities that will be traded by the applicant.
2. The category of membership (if any) in any SRO.
3. The nature of prospective clients/investors who may use the services of the applicant in the Kingdom of Bahrain (e.g. institutional, accredited, expert, retail, etc.).
4. Any affiliation between the applicant and other licensed members, such as common owners, directors or officers.
5. The manner in which the different categories of clients/investors would access the applicant's services (e.g. online, telephone, etc.).
6. The applicant's operations (provide transaction flowcharts or diagrams, where relevant), proposed revenue sources, and projected volumes and value of transactions that would be conducted through the applicant.
7. Any other relevant information that may help in processing this application.

Form 4: Section I – Information on the Applicant (Continued)

Describe and demonstrate, with supporting documents or information, how the applicant will reasonably ensure that the market it operates is fair, orderly and transparent, on an ongoing basis. Relevant supporting documents or information to be provided could include the applicant's:

1. Systems and procedures governing the use of the facilities of the SRO, of which the applicant is a member;
2. Operations, including risk disclosure statements (if any) relating to its services and measures to inform clients/investors of the peculiar risks arising from its services;
3. Risk management systems, including procedures relating to internal audit, internal controls, security, and the granting of credit;
4. Business continuity plan and system capacity planning procedures; and
5. Human resources, including information on the staffing levels of key functions (such as market control, market surveillance, compliance, etc.).



Form 4: Section I – Information on the Applicant (Continued)

If the applicant or any of its related corporations are operating in similar market(s) in any other jurisdiction, provide relevant information, including:

1. The name(s) of such markets;

2. The name(s) of such jurisdictions;

3. The name(s) of any supervisory authority, including any self regulatory organization (SRO), that exercises oversight over the applicant or its related corporations in these jurisdictions;

4. Evidence of the applicant's authorization to operate a market or exemption from the need to be authorised in these jurisdictions, including a copy of any conditions imposed on the applicant's market operations in these jurisdiction(s).



Form 4: Section I – Information on the Applicant (Continued)

Please provide the following information:

1. If applicable, provide the name of any person (other than the applicant) that will be involved in managing or operating material aspects of the applicant's operations on behalf of the applicant. Provide a description of the role and responsibilities of each person to which the applicant has delegated or outsourced its operations.
2. Give an outline of the applicant's plans with regard to the operation and expansion of its business over the next 3 to 5 years. The outline should include financial projections on the resources available to maintain the market facilities.
3. If applicable, provide description(s) of the applicant's business(es), other than the operation of the proposed market.
4. If applicable, provide the name(s) and description(s) of any related corporation to the applicant that is operating in the Kingdom of Bahrain as a bank, merchant bank, finance company, insurer, trust company, designated clearing house, approved holding company, holder of a capital markets services license, or holder of a financial adviser's license.



Form 4: Section I – Information on the Applicant (Continued)

Attach certified true copies of the most recent auditor's report, audited balance sheet, and audited profit and loss account, by whatever name called. In addition, attach a report by the directors of the applicant stating whether, from the date of the most recent auditor's report, audited balance sheet and audited profit and loss account to a date not earlier than 14 days before the date of the application:

1. The business of the applicant has, in their opinion, been satisfactorily maintained;
2. If there has, in their opinion, arisen any circumstance adversely affecting the applicant's operation or the value of its assets;
3. The current assets appear in the books at values which are believed to be realisable in the ordinary course of business;
4. If there are any contingent liabilities by reason of any guarantees given by the applicant or any of its subsidiaries, or by any other reason; and
5. If there are any changes in reserves or any unusual factors affecting the profit of the applicant and its subsidiaries.

Form 4: Section II – Information on Chief Executive Officer and Directors
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Complete and attach Form 3 “Information on Chief Executive Officer and Directors” for the purpose of completing this Part.



Form 4: Section III – Information on Shareholders and Subsidiaries

Complete and attach Form 2 “Information on Shareholders and Subsidiaries” for the purpose of completing this Part.



Form 4: Section IV – Fit and Proper Criteria

If the answer to any of the following questions is in the affirmative, attach annexes and supporting documents, where appropriate, to provide all relevant particulars. If there is any doubt with respect to any part of this section, please provide all relevant information to demonstrate that the applicant and its shareholders are considered to be fit and proper persons.

<u>Honesty, Integrity and Reputation:</u> Within the past 10 years, has the applicant or any of its individual substantial shareholders, corporate substantial shareholders (including related corporations), or any director or chief executive officer of the applicant:	
Been licensed, registered or approved under any law in any jurisdiction which requires licensing, registration or approval in relation to any regulated activity?	Yes No
Been licensed, registered, or otherwise authorised by any law to carry on any trade, business (including sole proprietorships and partnerships) or profession (including accountancy, engineering, law and architecture) in any jurisdiction?	Yes No
Been refused the right or restricted in its or his right to carry on any trade, business or profession for which a specific license, registration or other authorisation is required by law in any jurisdiction?	Yes No
Been issued a prohibition order under any Law or Directive administered by the CBB, whether in the Kingdom of Bahrain or elsewhere, or has been prohibited from operating in any jurisdiction by any financial services regulatory authority?	Yes No
Been censured, disciplined, suspended or refused membership or registration by the CBB, whether in the Kingdom of Bahrain or elsewhere, any other regulatory authority, an operator of a market or clearing facility, any professional body or government agency, whether in Bahrain or elsewhere?	Yes No
Been the subject of any complaint made reasonably and in good faith relating to activities regulated by the CBB, whether in the Kingdom of Bahrain or elsewhere, or under any law in any jurisdiction?	Yes No
Been the subject of any proceedings of a disciplinary or criminal nature or been notified of any potential proceedings or of any investigation which might lead to those proceedings, under any law in any jurisdiction?	Yes No



Form 4: Section IV – Fit and Proper Criteria (Continued)

<u>Honesty, Integrity and Reputation:</u> Within the past 10 years, has the applicant or any of its individual substantial shareholders, corporate substantial shareholders (including the corporate's related corporations), or any director or chief executive officer of the applicant:	
Been convicted of any offence, served any term of imprisonment or is being subject to any pending proceedings which may lead to a conviction of any offence, under any law in any jurisdiction?	Yes No
Had any civil penalty enforcement action taken against it or him by the CBB, whether in the Kingdom of Bahrain or elsewhere, or any other regulatory authority under any law in any jurisdiction?	Yes No
Contravened or abetted another person in breach of any laws or regulations, business rules or codes of conduct, whether in Bahrain or elsewhere?	Yes No
Been the subject of any investigations or disciplinary proceedings or been issued a warning or reprimand by the CBB, any other regulatory authority, an operator of a market or clearing facility, any professional body or government agency, whether in Bahrain or elsewhere?	Yes No
Been refused a fidelity or surety bond, whether in Bahrain or elsewhere?	Yes No
Been or is a director, partner, substantial shareholder or concerned in the management of a business that has been censured, disciplined, prosecuted or convicted of a criminal offence, or been the subject of any disciplinary or criminal investigation or proceeding, whether in Bahrain or elsewhere, in relation to any matter that took place while he was a director, partner, substantial shareholder or concerned in the management of the business?	Yes No
Been or is a director, partner, substantial shareholder or concerned in the management of a business that has been suspended or refused membership or registration by the CBB, any other regulatory authority, operator of a market or clearing facility, any professional body or government agency, whether in Bahrain or elsewhere?	Yes No

Form 4: Section IV – Fit and Proper Criteria (Continued)

<u>Honesty, Integrity and Reputation:</u> Within the past 10 years, has the applicant or any of its individual substantial shareholders, corporate substantial shareholders (including the corporate's related corporations), or any director or chief executive officer of the applicant:		
Been a director, partner, substantial shareholder or concerned in the management of a business that has gone into insolvency, liquidation or administration during the period when, or within a period of one year after, he was a director, partner, substantial shareholder or concerned in the management of the business, whether in Bahrain or elsewhere?	Yes	No
Been dismissed or asked to resign, from office, employment, a position of trust, or a fiduciary appointment or similar position, whether in Bahrain or elsewhere?	Yes	No
Been or is subject to disciplinary proceedings by his current or former employer(s), whether in Bahrain or elsewhere?	Yes	No
Been disqualified from acting as a director or disqualified from acting in any managerial capacity, whether in Bahrain or elsewhere?	Yes	No
Been an officer found liable for an offence committed by a body corporate as a result of the offence having proved to have been committed with the consent or connivance of, or neglect attributable to, the officer, whether in Bahrain or elsewhere?	Yes	No
Been engaged in the management of any corporation other than those disclosed in Part III (Information On Chief Executive Officer And Directors) of this application in any jurisdiction(s)?	Yes	No
Carried on business under any name other than the name or names shown in this application in any jurisdiction(s)?	Yes	No



Form 4: Section IV – Fit and Proper Criteria (Continued)

Honesty, Integrity and Reputation: Has the applicant or any of its substantial shareholders, whether the shareholder is an individual or a corporation (including the corporation's related corporations), or any director or chief executive officer of the applicant:

Had any judgment (in particular, that associated with a finding of fraud, misrepresentation, or dishonesty) entered against it or him in any civil proceedings or is a party to any pending proceedings which may lead to such a judgment, under any law in any jurisdiction?

Yes No

Accepted civil liability for fraud, misrepresentation or dishonesty under any law in any jurisdiction?

Yes No



Form 4: Section IV – Fit and Proper Criteria (Continued)

Financial Soundness: Within the past 10 years, has the applicant or any of its substantial shareholders, whether the shareholder is an individual or a corporation (including the shareholders' related corporations), or any director or chief executive officer of the applicant:

Been or is unable to fulfill any of its or his financial obligations, whether in Bahrain or elsewhere?	Yes	No
Entered into a compromise or scheme of arrangement with its or his creditors, or made an assignment for the benefit of its or his creditors, being a compromise, scheme of arrangement or assignment that is still in operation, whether in Bahrain or elsewhere?	Yes	No
Been or is subject to a judgment debt which is unsatisfied, either in whole or in part, whether in Bahrain or elsewhere?	Yes	No
Been dissolved or is in the course of being wound-up, whether in Bahrain or elsewhere?	Yes	No
Been or is a corporation that has a receiver, receiver and manager, judicial manager, or such other person having the powers and duties of a receiver, receiver and manager, or judicial manager, has been appointed in relation to, or in respect of any property of, the corporation, whether in Bahrain or elsewhere?	Yes	No
Been or is the subject of a bankruptcy petition, whether in Bahrain or elsewhere?	Yes	No
Been adjudicated a bankrupt and the bankruptcy is undischarged, whether in Bahrain or elsewhere?	Yes	No
Been or is the subject of a winding up petition, whether in Bahrain or elsewhere?	Yes	No
Been or is subject to any other process outside Bahrain that is similar to those referred to above?	Yes	No

Form 4: Section V – Other Information
--

Set out any additional information relevant or material to this application.



Name of Proposed Licensee



CENTRAL BANK OF BAHRAIN

**Form 5:
Approval for Business Transfer**

Form 5: Approval for Business Transfer
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Form 5: INSTRUCTIONS

1. Applicants must submit this Form under cover of a letter signed by an authorised signatory of the licensed member. Various supporting documentation – specified in the Form – must also be appended.
2. Failure to provide all the required information may result in significant delays in processing the application. The CBB does not accept responsibility for any loss caused to the applicant by any such delay.
3. This form is to be completed in the event that a licensed member desires to transfer all or any part of its business.
4. Parts II and III are to be completed by the licensed member who changes his principal in relation to which his license was granted.
5. Where there is no change to the principal of a licensee, Part III is not applicable.
6. Please tick (✓) in the relevant boxes where appropriate. Where there is an asterisk (*), please delete whichever is inapplicable. If any question is not applicable given your particular circumstances, please clearly indicate by marking 'N/A', with an explanation as to why it does not apply. Please provide a full explanation for any question that cannot be answered at this stage. Please note that failure to provide the required information may prejudice an application and may cause delay.
7. All documentation provided to the CBB must be in either the Arabic or English languages. Any documentation in a language other than English or Arabic must be accompanied by a certified English or Arabic translation thereof.
8. The **original** completed form, together with supporting documentation, should be submitted to:

The Director, Capital Markets Supervision Directorate
Central Bank of Bahrain
PO Box 27
Manama
Kingdom of Bahrain
9. Queries may be addressed to the Director, Capital Markets Supervision Directorate, on +973 17 547907 (telephone), +973 17 532957 (fax) and ali@cbb.gov.bh (e-mail).
10. If there are any changes in the information furnished in the application prior to the completion of the review of this application, the Central Bank of Bahrain (CBB) should be notified immediately.
11. Finally, applicants are also reminded that providing to the CBB any information which is false or misleading may result in the cancellation of any license issued.



Form 5: Section I – Licensee Details

Please complete all fields:

- 1. Name of holder of the license (the licensee):**
- 2. License Number/Commercial Register Number:**
- 3. Expiry date of license (dd/mm/yy):**
- 4. Name of the proposed transferee:**
- 5. Reasons for the transfer of business:**
- 6. Indicate the regulated activity(s) to be performed by the transferee:**
- 7. Give an outline of the proposed transferee's existing line of business (with details of its existing licenses if any):**
- 8. Describe and demonstrate, with supporting documents or information, how the proposed transferee will satisfy the requirement under the Module to operate as a licensed member, with particular emphasis on but not limited to the following:**
 - a. Control arrangements**
 - b. Ongoing risk management controls**
 - c. Fit and Proper criteria of management**
 - d. Compliance with the business rules of the SRO to which the transferee will be a member**
 - e. Human resources policies**
 - f. Relevant financial documentation**