



EDBS/KH/C/22/2014  
24<sup>th</sup> March 2014

**The Chief Executive Officer**  
All Locally Incorporated Banks  
Manama  
Kingdom of Bahrain

Dear Sir,

**Private Placements of Securities Issued by or Promoted by  
Banks Licensed in Bahrain**

To further enhance transparency for investors in private placements and to facilitate supervisory oversight, the CBB will require that your bank, in its capacity as issuer, promoter or manager of a private placement of securities, should provide a semi-annual progress report on private placements that it has been associated with as promoter, issuer or manager. The two attachments to this Circular outline new minimum requirements for a template follow-up report which must be provided to investors and the CBB on a semi-annual basis *after* banks have issued or distributed a PPM for the solicitation of funds from investors. One report is aimed at projects which are real estate or project focussed, while the other is aimed at private equity buy-outs of existing companies.

The purpose of these reports is to provide investors and the CBB on a semi-annual basis with an update of the project or company performance and compliance with any undertakings, forecasts or covenants in the PPM. This arrangement for follow-up reports is an additional measure to the requirements for Private Placements in Volume 6 (Module OFS).

The requirements of this Circular and its attachments take effect immediately and apply to all existing and future placements of securities made to investors which have been or will be made by way of a private placement. Reports should be distributed on a semi-annual basis commencing March 2014. Banks may issue the report on a more frequent basis, should they considered it more appropriate

All concerned bank licensees must provide a copy of the reports to the concerned banking supervision directorate at the CBB when such reports are distributed to investors.

Yours faithfully,

  
Khalid Hamad