



# **BAHRAIN MONETARY AGENCY**

## **Form 1 (Phase 2): Application for a License**

**(Application for a license to carry out Investment Business  
in the Kingdom of Bahrain)**



**Form 1 (Phase 2): Application for a License**

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**Form 1 (Phase 2): INSTRUCTIONS**

**PLEASE NOTE: THIS FORM IS TO BE COMPLETED ONLY IF “IN PRINCIPLE”  
APPROVAL HAS BEEN PROVIDED BY THE BMA BASED ON THE INFORMATION  
SUBMITTED IN PHASE 1**

1. The application process for investment firm license consists of two parts: Phase 1 and Phase 2. For Phase 1, applicants for a license must submit a duly completed “Form 1 (Phase 1): Application for a License”, under cover of a letter signed by an authorised signatory of the applicant. If BMA is satisfied that the requirements under Phase 1 have been met, and has issued an “in principle” approval for a license, Phase 2 in the application process consists of submitting additional documentation, under cover of a duly completed “Form 1 (Phase 2)”. All the documentation required under Phase 2 must be submitted within six months of the “in principle” approval being issued. These application forms should be completed by referring to Volume 4 (Investment Business) of the BMA Rulebook, in particular Module AU (Authorisation).
2. Complete all sections as fully as possible, attaching supporting documentation and continuation sheets where appropriate. The application should be written in ink in BLOCK CAPITALS or typed.
3. Failure to provide all the required information may result in significant delays in processing. The BMA does not accept responsibility for any loss caused to the applicant by any delay.
4. All documentation provided to the BMA 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 (see Paragraph AU-5.1.9).
5. 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 will cause delay.
6. The **original** completed form, together with supporting documentation, should be submitted to:  
  
The Director, Licensing & Policy Directorate  
Bahrain Monetary Agency  
PO Box 27  
Manama  
Kingdom of Bahrain
7. Queries may be addressed to the Director, on +973 17 547605 (telephone), +973 17 537554 (fax) and albassam@bma.gov.bh (e-mail).
8. As part of Phase 2, the BMA will review the application and (within 30 calendar days of all Phase 2 documentation having been submitted in a form acceptable to the BMA), duly advise the applicant in writing when it has:
  - (a) granted a license; or
  - (b) refused a license, stating the grounds on which the application has been refused and the process for appealing against that decision.
9. New licensees must start their operations within 6 months of their license being issued, failing which their license may be cancelled (refer AU-5.1.14).
10. Applicants are reminded that it is an offence under the BMA Law 1973 (and any regulations issued thereunder) to provide the BMA any information which is false or misleading in connection with the submission of this application or any related information.



**Form 1 (Phase 2): DECLARATION**

We certify that we have read and understood the provisions of the BMA Law 1973 (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 Bahrain Monetary Agency (BMA) 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 BMA should be aware. 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 BMA of any changes material to the application that may arise while the BMA is considering the application (see Volume 4 of the BMA Rulebook, Paragraph AU-5.1.10). We further undertake that, in the event that the institution is granted the license which is hereby sought, we will notify the BMA of any material changes to or affecting the completeness or accuracy of, the information provided in Form 1 as soon as possible, but in any event no later than 21 days from the day that the changes come to our attention.

**This 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 corporate controllers, the declaration must be signed by two directors and bear the corporate seal.**

WHERE PROPOSED CONTROLLER IS AN INDIVIDUAL:

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

WHERE PROPOSED CONTROLLER IS A CORPORATE BODY:

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



**Form 1 (Phase 2): Contact Information**

Please provide full contact details of person(s) with whom the BMA can communicate with, regarding this application.

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Capacity<sup>1</sup>: \_\_\_\_\_

Tel: \_\_\_\_\_

Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_

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<sup>1</sup> (e.g., professional adviser to the applicant, proposed director of applicant)



**Form 1 (Phase 2): Checklist**

<b>Document</b>	<b>Attached?</b>		
<b>1. Draft of Memorandum of Association (cf. Section II.1 (a))</b>	<b>Yes</b>	<b>No</b>	
<b>2. Draft of Articles of Association (cf. Section II.1 (b))</b>	<b>Yes</b>	<b>No</b>	
<b>3. Applications for Approved Person Status (cf. Section II.1 and 2)</b>	<b>Yes</b>	<b>No</b>	
<b>4. Letter of guarantee from applicant's major shareholder (cf. Section IV.1)</b> <i>- Bahrain incorporated applicants only</i>	<b>Yes</b>	<b>No</b>	<b>Not Applicable</b>
<b>5. Letter of guarantee from applicant's head office (cf. Section IV.2)</b> <i>- branch applicants only.</i>	<b>Yes</b>	<b>No</b>	<b>Not Applicable</b>
<b>6. Confirmation of professional indemnity coverage required (cf. Section IV.3)</b> <i>- Category 2 and 3 investment firms only</i>	<b>Yes</b>	<b>No</b>	<b>Not Applicable</b>



**Form 1 (Phase 2): Section I – Licensee Details**

1. Proposed name of licensee:

\_\_\_\_\_



**Form 1 (Phase 2): Section II – Legal Status (commercial registration)**

1. Please provide draft copies of:

		<b>Attached</b>	
(a) Memorandum of Association; and	(a)	Yes	No
(b) Articles of Association (AU-5.1.8 (b))	(b)	Yes	No





**Form 1 (Phase 2): Section III – Management Background and Details**

1. Please complete an Application for Approved Person Status (Form 3) for each individual (other than members of the Board of directors, submitted as part of Phase 1) applying to undertake a controlled function of the new licensee (refer AU-5.1.7 (a)).

Heads of Function (AU-1.2.10)	<b>Attached</b> Yes                      No		
Compliance Officer (AU-1.2.2)	<b>Attached</b> Yes                      No		
Money Laundering Reporting Officer (MLRO) (FC-3.1.1)	<b>Attached</b> Yes                      No		
Financial Instruments Trader (AU-1.2.12)	<b>Attached</b> Yes	No	Not Applicable
Investment Adviser/Consultant (AU-1.2.13)	<b>Attached</b> Yes	No	Not Applicable

2. Please provide an Application for Approved Person Status (Form 3) in respect of the proposed General Manager (who must be resident in Bahrain) (AU-1.2.9).

**Attached**

Yes                      No

3. Is the proposed General Manager a resident of Bahrain?

Yes                      No

If no, please provide date and reference of the application for a residence permit.

\_\_\_\_\_



**Form 1 (Phase 2): Section III – Management Background and Details  
(continued)**

**4. Shari'a Board (For Islamic investment firms only).**

Please list all proposed Shari'a Board members and attach an Application for Approved Person Status (Form 3) for each member (refer AU-1.2.2):

Members	Attached	
<hr/>	Yes	No
<hr/>	Attached	
	Yes	No
<hr/>	Attached	
	Yes	No
<hr/>	Attached	
	Yes	No
<hr/>	Attached	
	Yes	No

**If necessary, please attach a continuation sheet.**



**Form 1 (Phase 2): Section IV – Financial Resources**

**IV. Financial Resources**

*(For Bahrain incorporated applicants only)*

1. Please provide a letter of guarantee from the applicant's major shareholder (or in the case of a non corporate entity, the principal owner) confirming their willingness to support the proposed licensee in case of need (AU-5.1.7 (c)).

**Attached**

Yes                      No                      Not Applicable

*(For branch applicants only)*

2. Letter of guarantee from head office (AU-51.7 (d))

**Attached**

Yes                      No                      Not Applicable

*(For Category 2 and 3 investment firms only)*

3. Please attach confirmation of the professional indemnity coverage required, as per Chapter GR-9.

**Attached**

Yes                      No                      Not Applicable