



CENTRAL BANK OF BAHRAIN

Form 2: Application for Authorisation of Controller

**(Application for authorisation of controller in the Kingdom of
Bahrain)**



Form 2: Application for Authorisation of Controller

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Form 2: INSTRUCTIONS

INSTRUCTIONS

PLEASE NOTE:

1. All persons wishing to be authorised to be a controller of a conventional bank licensee or seeking to increase their level of control must receive prior CBB authorisation.
2. Controllers are defined in Chapter GR-5 as a natural or legal person who:
 - (a) Holds 10% or more of the shares in the licensee ("L"), or is able to exercise (or control the exercise) of more than 10% of the voting power in L; or
 - (b) Holds 10% or more of the shares in a parent undertaking ("P") of L, or is able to exercise (or control the exercise) of more than 10% of the voting power in P; or
 - (c) Is able to exercise significant influence over the management of L or P.
- 2A. For overseas conventional bank applicants (foreign branch), the controller is the parent bank.
3. This application form should be completed by referring to Volume 1 (Conventional Banks) of the CBB Rulebook, in particular Module GR (General Requirements). The rules applicable to controllers are found in Chapter GR-5.
- 3A. Applicants should satisfy themselves that they meet the requirements of the Rulebook before submitting an application. This form contains the principal elements that are required, but should applicants consider that there is additional evidence of relevance to the application, this should be submitted with this form. It should not be assumed that information is known to the CBB merely because it is in the public domain or has previously been disclosed to the CBB or another regulatory body. If there is any doubt about the relevance of information, it should be disclosed.
4. 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.
5. Failure to provide all the required information may result in significant delays in processing. The CBB does not accept responsibility for any loss caused to the applicant by any delay.
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. 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.



Form 2: INSTRUCTIONS (continued)

8. Where the request for authorised controller *forms part of a new license application*, the **original** completed form, together with supporting documentation, should be submitted to:

The Director, Licensing Directorate
Central Bank of Bahrain
PO Box 27
Manama
Kingdom of Bahrain

9. Where the request is in relation to an *existing conventional bank licensee*, the **original** completed form, together with supporting documentation, should be submitted (as appropriate) to:

The Director, Retail Banks Supervision Directorate
or
The Director, Wholesale Banks Supervision Directorate
Central Bank of Bahrain
PO Box 27
Manama
Kingdom of Bahrain

10. Queries may be addressed to:

For applications that form part of a new license application:

The Director, Licensing Directorate
Tel: +973 17 547605
Fax: +973 17 537554
E-mail: licensing@cbb.gov.bh

For applications that are for an existing conventional bank licensee

The Director, Retail Banks Supervision Directorate
Tel: +973 17 547302
Fax: +973 17 536811
E-mail: yhasan@cbb.gov.bh

Or

The Director, Wholesale Banks Supervision Directorate
Tel: +973-17 547454
Fax: +973-17 536 811
E-mail: isa@cbb.gov.bh

11. Applicants are reminded that it is an offence under the CBB Law Decree No. (64) of 2006 (and any regulations issued thereunder), to provide the CBB any information which is false or misleading in connection with the submission of this application or any related information.



Form 2: DECLARATION

I certify that the information submitted in support of this application is accurate and complete to the best of my knowledge and belief and that there are no other facts relevant to this application of which the Central Bank of Bahrain (CBB) should be aware.

I authorise the CBB to make such enquiries and seek further information it deems necessary in considering this application for authorisation for controller.

I am aware that providing to the CBB any information that is false or misleading in connection with an application for authorisation for controller may result in the refusal of the application or cancellation of the authorisation.

I also confirm that I will not assume or increase control of the conventional bank licensee for which this application is being submitted prior to obtaining such authorisation.

I undertake to inform the CBB, as well as the CBB licensee of any changes material to the application that may arise while the CBB is considering the application. I further undertake that, in the event that the authorisation of controller being sought is granted, I will notify the CBB and the CBB licensee of any material changes to or affecting the completeness or accuracy of, the information provided in this Form 2 as soon as possible, but in any event no later than 15 days from the day that the changes come to my attention.

I confirm that following the acquisition of shares, I will submit to the CBB, within two months from the date of the acquisition, a report prepared by an independent auditor (along with supporting documentation) detailing the source and audit trail of the funds used to acquire the shares.

I, hereby, confirm that to the best of my knowledge, I have provided a complete list of:

- All Associates (as defined in the Regulation with Respect to Control in Banks No. 31 of 2008);
- Related parties (including family members);
- Business partners; and
- All companies in which I own 10% or more, and specifying whether such companies have any shareholding interest or voting power in, or any type of influence over, the licensee. The list should indicate in detail the shareholding interest or voting power in, or the type of influence over, the licensee.

I also hereby undertake that I will comply with, and abide by, all applicable Laws and regulations.



WHERE PROPOSED CONTROLLER IS AN INDIVIDUAL:

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

WHERE THE PROPOSED CONTROLLER IS A CORPORATE BODY, THE DECLARATION MUST BE SIGNED BY TWO DIRECTORS AND BEAR THE CORPORATE SEAL:

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

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



Form 2: Contact Information

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

Name: _____

Title: _____

Capacity¹: _____

Tel: _____

Fax: _____

E-mail: _____

(1) [e.g. proposed controller, or executive officer of the licensee]



Form 2: Section I – Applicant Details

1. Name(s) of the conventional bank licensee(s) in respect of which this application for authorisation of controller is being made:

2. Seeking authorisation for (please check ☒ appropriate box)(see Paragraph GR-5.1.5):

a) a new controller ☐

b) an existing controller increasing its holding from 10% to 20% of issued and paid up share capital ☐

c) an existing controller increasing its holding from 20% to 30% of issued and paid up share capital ☐

d) an existing controller increasing its holding from 30% to 40% of issued and paid up share capital

e) an existing controller increasing its holding to above 40% of issued and paid up share capital of an unlisted bank. In this instance, the controller must be a regulated legal person ☐

3. Circumstances resulting in the applicant becoming a controller or resulting in change of control (please check ☒ appropriate box) (see Paragraph GR-5.2.1):

a) as a shareholder ☐

b) exercising significant influence (please supply details) ☐

4. Name (including any previous names) address and nationality of new/existing controller for whom authorisation is sought:

Name: _____

Full Address: _____

Nationality: _____

5. Current shareholding held (**for existing controller only**):

6. Proposed shareholding for which this application is being made:



Form 2: Section I – Applicant Details (continued)

7. The applicant is (please select a) or b)):

a) a natural person (individual controller)

☐

Please complete sections II and IV

b) a legal person (corporate controller)

☐

Please complete sections III and IV

8. Have any of the parties connected with this application ever applied, either individually or in conjunction with others, for authority to transact regulated financial services in Bahrain or in any other jurisdiction? If so please give details.

Please select one ✓ of the statements below that relates to this application.

I apply as a new controller for the conventional bank licensee noted above. I do not currently have any controlling interest in the conventional bank licensee for which this application is being provided.

I apply as a new controller for the conventional bank licensee noted above. I acquired this controlling interest without my knowledge and am aware that I am required to notify the CBB no later than 15 calendar days from the date on which changes of control have occurred.

I apply to for permission to effect the change in control detailed above from [day]/[month]/[year] / / (proposed date of event, which must be not less than 60 days and not more than 120 days from the date of this application).

The change of control shown in this form took place without my knowledge, and I am making this application on becoming aware of the fact, which was on [day]/[month]/[year] / / . I am aware that I am required to make this notification no later than 7 days from the date on which I became aware of the change of control.



Form 2: Section II – Individual Controller

1. Full name (including details of any previous names):

2. Nationality:

3. Private address:

4. Current employment:

5. Population Registration Card (CPR); Personal number; National Insurance number; and/or Social Security number and country of issue:

Type (e.g. CPR, social security number, etc.): _____

Number: _____ Country of issue: _____

6. Passport Information:

Passport Number: _____ Place of issue: _____

Date of issue: _____ Date of expiry: _____



Form 2: Section II – Individual Controller (continued)

7. Please attach a **certified** copy of your passport, CPR or driving license.

(Note that the identification document must contain a photograph and be certified by one of the following:

- (a) a registered lawyer;*
- (b) a registered notary;*
- (c) a chartered accountant;*
- (d) a government ministry;*
- (e) an official of an embassy or consulate; or*
- (f) an official of a CBB licensee.*

The individual providing the above certification must include clear contact details (e.g. business card or bank logo).

Attached

Yes

No

Corporate Governance

8. Are any proceedings, convictions or judgements of any offence, other than a minor traffic offence, pending against the proposed controller?

Yes

No

If yes, please provide details:



Form 2: Section II – Individual Controller (continued)

9. Has the proposed controller ever been declared bankrupt, entered into any arrangement with creditors in relation to the inability to pay due debts or failed to satisfy a judgement debt under a court order with creditors, or equivalent in any territory?

Yes

No

If yes, please provide details:

10. Has the proposed controller been a director, partner or manager of a corporation which has gone into liquidation or administration or where one or more partners have been declared bankrupt while the applicant was connected with the partnership?

Yes

No

If yes, please provide details:

11. Has the proposed controller been subject to any civil proceedings, arbitration or litigation relating to fraud, misfeasance or other misconduct in connection with the formation or management of a corporation or partnership?

Yes

No

If yes, please provide details:



Form 2: Section II – Individual Controller (continued)

12. Has the proposed controller ever been refused a license, authorisation or registration from another financial regulatory body?

Yes

No

If yes, please provide details:

13. Has the proposed controller ever been disqualified by a court, regulator or other competent body, as a director or as a manager of a corporation?

Yes

No

If yes, please provide details:

14. Has the proposed controller ever been the subject of an investigation into allegations of misconduct, violation or malpractice in connection with any business, or been found guilty, or formally warned or fined, or been disciplined by any professional body or financial services regulator for misconduct, malpractice or violations?

Yes

No

If yes, please provide details:



Form 2: Section II – Individual Controller (continued)

15. Is the individual submitting this application aware of any other information relevant to this notification of change in control of which the CBB would reasonably expect notice, including information which could have a material impact on any of the approval requirements?

Yes

No

If yes, please provide details:

16. Does the applicant himself or any of his associates, related parties, family or business partners etc., “the Parties”, have any business or family relationship with the Approved Persons (as defined in the Glossary) and/or the existing controllers of the licensee? *The Compliance Officer of the Licensee should assist the proposed controller in responding to this question.*

Yes

No

If yes, please provide details of the exact nature of the relationship with the Approved Person below:

Name and position of the Approved Person and/or the existing controllers of the licensee	Name of the applicant/ the Parties	Nature of relationship between the Approved Person and/or the existing controllers of the licensee and the applicant/ the Parties



Form 2: Section III – Corporate Controller

1. (a) Name of corporate entity: _____	1.(b) Legal status: _____			
2. Registered address: _____ _____ _____				
3. (a) Country of incorporation: _____	3. (b) Paid up and issued capital (in USD): _____			
4, Date of incorporation: [day]/[month]/[year] _____				
5. Registered number: _____				
6. Please attach the corporate controller's group structure, including all intermediate companies. The structure must indicate the name of the ultimate controller (i.e. the individual). Attached Yes ☐ No ☐				
7. (a) Please provide information on whether the proposed controller or any of the companies within the group engage in financial services activities, whether or not they are regulated and the territory where they operate.				
Company Name	Financial Service Activity	Location	Regulated	
			Yes	No
If additional companies engaged in financial services, please complete an additional sheet.				



Form 2: Section III – Corporate Controller (continued)

7.(b) Information on Shareholder(s) of Corporate Controller ¹					
Name of Shareholder of Corporate Controller	% Ownership in Corporate Controller	Name of Regulator (if any)	(If Corporate Entity)		Nationality (if Shareholder is an Individual)
			Country of Incorporation	Legal Status	

1 To be completed for all shareholders owning 10% or more of the corporate controller.



Form 2: Section III – Corporate Controller (continued)

8. For those applicants whose companies within the group include regulated financial services, please provide the following details:

Company Name	Regulatory Authority	Regulatory Authority Address	Regulatory Capital Requirement	Actual Regulatory Capital Held

If additional regulated financial services companies, please complete an additional sheet. For regulatory capital, please report latest available figures and indicate their date.

9. Please provide details of the proposed controller's most recent audited financial statements.

Attached

Yes No

Corporate Governance

10. Has the proposed controller or member(s) of its group been the subject of any litigation (or known circumstances which might give rise to litigation) over the past 5 years, or is any litigation currently outstanding, except cases arising in the course of normal business activities?

Yes No

If yes, please provide details:



Form 2: Section III – Corporate Controller (continued)

11. Has the proposed controller or member(s) of its group been the subject of adverse finding in a civil action by any court or competent jurisdiction, relating to fraud, misfeasance or other misconduct?

Yes

No

If yes, please provide details:

12. Has the proposed controller or member(s) of its group ever entered into any arrangement with creditors in relation to the inability to pay due debts?

Yes

No

If yes, please provide details:

13. Has the proposed controller or member(s) of its group ever been the subject of an investigation into allegations of misconduct, violation or malpractice in connection with any business, or been found guilty, or formally warned or fined, or been disciplined by any professional body or financial services regulator for misconduct, malpractice or violations?

Yes

No

If yes, please provide details:



Form 2: Section III – Corporate Controller (continued)

14. Does the applicant himself or any of his associates, related parties, family or business partners etc. “the Parties”, have any business or family relationship with the Approved Persons (as defined in the Glossary) and/or the existing controllers of the licensee? *The Compliance Officer of the Licensee should assist the proposed controller in responding to this question.*

Yes No

If yes, please provide details of the exact nature of the relationship with the Approved Person below:

Name and position of the Approved Person and/or the existing controllers of the licensee	Name of the applicant/ the Parties	Nature of relationship between the Approved Person and/or the existing controllers of the licensee and the applicant/ the Parties



Form 2: Section IV – Additional Information

1. Please provide (in the case of corporate controllers) a copy of the proposed controller's organisation chart (of its group) and (in all cases) details of any other regulated financial services companies in which the proposed controller has a greater than 20% interest.

Attached

Yes

No

Not Applicable

2. Please provide (in the case of corporate controllers) the latest audited financial statements of the proposed controller and immediate and ultimate parent (and, where applicable, the consolidated accounts of the group).

Attached

Yes

No

3. Please provide copies of the latest audited financial statements of the companies in which the applicant owns 10% or more.

Attached

Yes

No