



Central Bank of Bahrain

Instructions for Insurance Broker Return

(to be used in completing Forms IBR and IBRS)

April 2012



Instructions for Insurance Broker Return

Table of Contents

	Date Last Changed
Section I Introduction	04/2012
Statutory Authority	04/2012
Insurance Broker	04/2012
Filing Deadlines and Copy Requirements	04/2012
Signatures	
Insurance Licensee Name and Year of Return	04/2012
Period Covered	04/2012
Supporting Details	04/2012
Opening Balances	04/2012
Additional Pages and Information	04/2012
Amended Returns	04/2012
Glossary of Defined Terms	04/2012



	Instructions for Insurance Broker Return
Section I	Introduction

Instructions

Statutory Authority

Detailed rules and guidance for CBB Reporting are outlined in Volume 3 (Insurance) Module BR. The instructions contained herein summarise some of the rules of Module BR. The definitive version of the reporting requirements are contained in Module BR.

Pursuant to Article 111 of Legislative Decree No. 64, 2006 and Paragraphs BR-1.2A.1 and BR-1.4A.1, insurance brokers must prepare and submit to the CBB an Insurance Broker Return form (IBR) for each financial year, as well as on a semi-annual basis (form IBRS).

Insurance Broker

The term “insurance broker” refers to all insurance licensees who undertake the regulated insurance service of broking of insurance contracts, as defined in Paragraphs AU-1.4.9 to AU-1.4.15 of Module AU (Authorisation). For greater certainty, the IBR must be filed by:

- (a) Insurance brokers locally incorporated;
- (b) Branches of foreign brokers operating in Bahrain; and
- (c) Insurance brokers whose business is limited to jurisdictions, other than in Bahrain.

Insurance licensees that are branches of foreign insurance intermediaries operating in Bahrain are referred to as “Overseas insurance licensees” throughout Volume 3 (Insurance) whereas locally incorporated insurance licensees are referred to as “Bahraini insurance licensees”.

Filing Deadlines and Copy Requirements

The electronic version (‘soft copy’) of the IBR (and IBRS for semi-annual filing) is to be sent by e-mail to: IFR@cbb.gov.bh

In addition, one properly completed hard copy of the IBR (and IBRS for semi-annual filing) must be completed and addressed to:

The Director of the Insurance Supervision Directorate
Central Bank of Bahrain
P.O. Box 27
Manama
Bahrain

The IBR must be submitted to the CBB annually, within 2 months of the insurance licensee’s financial year end (as per Paragraph BR-1.2A.1). The audited financial statements and external auditor’s management letter must be submitted to the CBB no later than 3 months following the insurance licensee’s financial year end (as per Paragraph BR-1.2A.23) The IBRS must be submitted to the CBB within 2 months of the end of semi-annual period, by 31st August (as per Paragraph BR-1.4A.6) .

If the filed information is illegible, inaccurate or incomplete, the IBR and IBRS will not be considered filed.



	Instructions for Insurance Broker Return
Section I	Introduction

Signature

For Bahraini insurance licensees, the ‘hard’ copy of the Directors’ Certificate must be signed by at least two of the insurance licensee’s directors on behalf of the Board of Directors. One of those two directors signing the certificate must be the Chairman of the insurance licensee and the other must be formally authorised by the Board of Directors to sign on their behalf. (Refer to BR-1.2A.21)

For overseas insurance licensees, the General Manager (as defined under Paragraph AU-1.2.9) and an authorised member of the Board of Directors of the company itself must sign the IBR of the overseas insurance licensee licensed in the Kingdom (refer to BR-1.2A.22)

The IBRS must bear an original signature on the Certification (IBRS 10.10). The certification must be signed by an Officer of the company, preferably the chief financial officer who would be contacted if the CBB has any questions about the Interim Return.

The IBR and IBRS must bear original signatures on all Certifications (IBR 10.10 and 10.20 and IBRS 10.10). To facilitate verification of original signatures, it would be appreciated if a colour different from the print is used for signing. Photocopies of signatures will not be accepted

Penalties for Late Filing

The IBR and IBRS Forms must be received at the CBB on the due dates. Insurance licensees failing to comply with the filing deadline are subject to enforcement action as outlined in Module EN (Enforcement).

Insurance Licensee Name and Year of Return

It is important that the insurance licensee name and the year covered (or period for IBRS) by the return be shown on each page to permit proper identification. The Excel spreadsheet has been formatted to facilitate this process, i.e., when entering the company name and year end on the cover page of the return, this information will automatically appear on all pages of the return.

Period Covered

The IBR Form is to be completed as at the last day of the company’s year end (December 31, unless prior notification provided to the CBB). For semi-annual returns, (IBRS) the financial period ended should be noted as well as the number of months for the profit and loss account/income statement.

Supporting Details

Supporting information and working papers should be available at the company’s offices for review by the CBB’s inspectors. Companies must maintain working papers to support the figures included in the IBR and IBRS.



	Instructions for Insurance Broker Return
Section I	Introduction

Opening Balances

All opening balances should agree with the prior period's closing balance for the particular account (i.e. June 30 & December 31). Comparative figures for the prior period should be prepared on a basis consistent with the current year (or period). In any account, if the opening balance does not agree with the closing balance for the prior year, an explanatory note of the changes must be provided.

Additional Pages and Information

Pre-printed information or descriptions must not be changed. Adequate blank lines are provided for additional information. Any write-in information must be self-explanatory. If additional pages are required for detail information, these must be provided in like forms, titled, dated, identified as to the company, and pages numbered using the following convention: IBR 10.0 A, IBR 10.0 B etc.

Amended Returns

If amendments are made to the IBR or IBRS Form, the amended pages (on which the changes have been highlighted) must be filed with the CBB immediately. An updated Auditor's Report may also be required if there are material changes affecting the pages related to the financial statements.

Glossary of Defined Terms

Companies are reminded that a Glossary of defined Terms is included in Part B of Volume 3 (Insurance) Rulebook.