



Name of Proposed Licensee:



CENTRAL BANK OF BAHRAIN

Form 2: Application for Authorisation of Controller

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

This Form was last updated in April 2020



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 an investment business licensee or seeking to increase or decrease their level of control must receive prior CBB authorisation.
2. A controller of a Bahraini investment firm licensee is defined in Paragraph GR-5.2.1 as a natural or legal person who, either alone or with his associates:
 - (a) Holds 10% or more of the issued and paid up capital in the licensee or the parent undertaking; or
 - (b) Is able to exercise more than 10% of the voting power over the licensee or the parent undertaking.
- 2A. Where the direct controller of a Bahraini investment firm licensee is not the ultimate parent undertaking of the licensee, the CBB will require that Form 2 be completed by the ultimate parent undertaking and that the details be provided of the structure of the group, clearly detailing the relationship between the licensee and the ultimate parent undertaking (e.g. by providing an organisational structure of the group).
- 2B. For overseas investment firm licensees, the direct parent undertaking is deemed to be the controller and must submit Form 2.
3. This application form should be completed by referring to Volume 4 (Investment Business) 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 investment business licensee*, the **original** completed form, together with supporting documentation, should be submitted to:

The Director, Financial Institutions 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 licensee

The Director, Financial Institutions
Supervision Directorate
Tel: +973 17 547968
Fax: +973 17 531636
E-mail: earrayed@cbb.gov.bh

11. Applicants are 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 cancellation of the authorisation.



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 investment business licensee for which this application is being submitted prior to obtaining such authorisation.

I undertake to inform the 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 licensee of anything affecting the material completeness or accuracy of, the information provided in this Form 2 as soon as possible, but in any event no later than 15 calendar 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 Investment Firm licensees and Insurance licensees No. 27 of 2015);**
- 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.



Form 2: DECLARATION (continued)

WHERE THE PROPOSED CONTROLLER IS A NATURAL PERSON:

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

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

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

_____	_____	_____
Director (please 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: _____

We have reviewed the information given by the applicant on this form and upon enquiry of the same, can confirm that such answers are, in our opinion, correct and accurate in all respects.

Authorised Representative of the Licensee/Licensee Applicant:

Name: _____

Title: _____

Tel: _____

Fax: _____

E-mail: _____

Signature: _____

Date _____

Company Stamp:

¹ (e.g. proposed controller, professional adviser to the proposed controller)



Form 2: Section I – Applicant Details

1. Name(s) of the investment business 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-5.1.1):

- a) A new controller ☐ ☐
- b) An existing controller increasing its holding from 10% to 20% ☐ ☐
- c) An existing controller increasing its holding from below 20% to 30% ☐ ☐
- d) An existing controller reducing its holding from below 30% to 40% ☐
- e) An existing controller increasing its holding to above 40% for companies not listed on any exchange in Bahrain or abroad ☐
- f) An overseas investment firm licensee notification of a new significant ownership in excess of 50% of the issued and paid up capital of its ultimate parent undertaking (see Paragraph GR-5.5.1) ☐

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 voting power over the licensee or the parent undertaking
(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):



Form 2: Section I – Applicant Details (continued)

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

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

a) a natural person (individual controller)

☐

Please complete sections II and IV

b) an unregulated legal person (corporate controller)

☐

Please complete sections III and IV

c) a regulated legal person (corporate controller)

Please complete sections III and IV

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

I apply to be a new controller of the investment business licensee noted above. I do not currently have any controlling interest in the investment business licensee for which this application is being provided.

I apply as a new controller for the investment business 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 for permission to effect the change in control detailed above from [day]/[month]/[year] / / (proposed date of event).

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 15 calendar 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 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 company stamp).

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 an authorisation as controller, a license to undertake regulated activities by the CBB or any other regulator in another jurisdiction?

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 or malpractice in connection with any business, or been found guilty of conducting unauthorised financial activities or been disciplined by any professional body or financial services regulator for misconduct or malpractice?

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 <input type="checkbox"/> No <input type="checkbox"/>				
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 Controller¹

Name of Shareholder of Corporate Controller	% Ownership in Corporate Controller	Name of Regulator (if Shareholder is Regulated)	(If Shareholder is a Corporate Entity)			Nationality (if Shareholder is an Individual)
			Country of Incorporation	Legal Status	Paid up and Issued Capital (In USD)	

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



Form 2: Section III – Corporate Controller (continued)

8. For those applicants whose companies within the group included 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.

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

Attached

Yes ☐ No ☐ Not Applicable ☐

Corporate Governance

10. Has the proposed controller or any of its subsidiaries 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 any of its subsidiaries or any of its shareholders 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 any of its subsidiaries or any of its shareholders 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 any of its subsidiaries or any of its shareholders ever been the subject of an investigation into allegations of misconduct or malpractice in connection with any business, or been found guilty of conducting unauthorised financial activities or been disciplined by any professional body or financial services regulator for misconduct or malpractice?

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 – Close Links

1. Does (or will) a close link exist between the proposed controller and the licensed firm to which the application relates (for details of what constitutes a close link please refer to Section GR-6.2). The attached reply must identify all undertakings closely linked to the licensee, as defined in Section GR-6.2.

Attached

Yes ☐ No ☐ Not Applicable ☐

Name of Business, Address and Telephone Number	Nature of Business	Country of Incorporation

If additional close links, please complete an additional sheet.

2. Please provide a copy of the proposed controller's organisation chart (of its group) and details of any other investment business companies in which the proposed controller has a greater than 20% interest.

Attached

Yes ☐ No ☐ Not Applicable ☐

3. Provide 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 ☐

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

Attached

Yes ☐ No ☐