



EDFIS/C/002/2009
21st January 2009

The CEO/General Manager
All Listed Companies,
Brokers and Securities Brokerage Firms
Legal Firms, Auditing firms
Manama – Kingdom of Bahrain.

Dear Sir,

Subject: New Take-Overs, Mergers, Acquisitions and Share Repurchases Rules

Following the consultation which concluded earlier this year, the CBB is now issuing its new Take-Overs, Mergers, Acquisitions and Share Repurchases Module in final form. The new rules take effect on 1st March 2009.

The new rules are contained in a single document, called the Take-Overs, Mergers, Acquisitions and Share Repurchases Module (Module TMA). This document forms part of the Capital Market Rulebook – Volume 6.

Basically, Module TMA is divided into three sections, being general principles, rules and types of offers. The Module provides an orderly framework within which take-overs, mergers, or acquisitions are to be conducted and sets forth special requirements relating to timing and mode of offer, announcements, documentation and disclosure of adequate information to enable shareholders to make informed decisions as to the merits of an offer, as well as an option for shareholders to relinquish their shareholding to the offeror.

Module TMA is applicable to parties involved in the take-over, merger or acquisition of shares issued by any public shareholding company listed on licensed exchanges in the Kingdom of Bahrain.

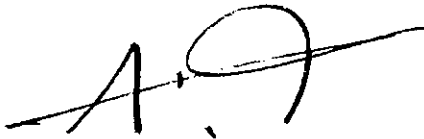
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The new TMA rules benefited from the wide range of industry comments received during the consultation process, and the CBB looks forward to work with you in implementing these rules. I believe they provide us with a good basis for supporting the further growth of the capital markets in Bahrain.

Should you have any queries in respect of any matter referred herein, please do not hesitate to contact the Director of the Capital Markets Supervision Directorate, Mr. Ali Salman Thamer (on 1754 7909).

Yours faithfully,



Abdul Rahman Al Baker