

# **NATIONAL BANK OF BAHRAIN BSC**

## **KEY PERSONS' DEALING POLICY**



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# GOVERNING RULES FOR TRADING BY KEY PERSONS

## Objective

This policy aims to govern dealings in the shares (or other listed securities, if any) of National Bank of Bahrain BSC (the Bank) by the Bank's Board of Directors, senior management and such other persons as decided by the Bank's Board of Directors to have access to insider information from time to time. These rules are being formulated in accordance with the "Guidelines on Issuers' Key persons Dealing Policies accepted for trading in the Bahrain Bourse ("BB")" issued by Bahrain Bourse ("BB") which is effective from 1st December 2010.

## Basic principles

Dealing in the securities of a listed company while in possession of inside information is illegal; Chapter 1 of Part 5 particularly Article 100 of the Central Bank of Bahrain (CBB) Law in addition to the CBB's volume (6) "Market Abuse & Manipulation" prohibits such abuse of inside information. As an added layer of security and transparency however, BB requires each Issuer to issue, maintain and enforce a Key Person Dealing Policy regarding dealing in shares and other securities of the Issuer by members of its Board of Directors, senior management and such other persons as decided by the Issuer's board to have access to inside information relating to the Issuer from time to time.

The Bank's directors, senior management and such other persons as decided by the Bank's Board of Directors to have access to insider information relating to the Bank from time to time should not deal in the shares (or other listed securities, if any) of the Bank while they are in possession of Inside Information.

The restrictions on dealings by a director or by a senior manager or other key persons contained in these rules should be regarded as equally applicable to any dealings by Person under guardianship / Control of the Key Person. It is the duty of the director or senior manager, to seek avoidance of any such dealing, at a time when he himself is not free to deal.

The same restrictions apply to dealings by a director or by a senior manager or other key persons in the securities of any other listed companies, when by virtue of his position as a director or as a senior manager of the Bank, he is in possession of Insider Information.

The directors, senior management, other key persons who intend to increase their long term holdings/positions in the Bank's shares (or other listed securities, if any) are encouraged to purchase the Bank's shares on a regular basis by an agent, in a manner over which the Bank or key person has no control.

Any director of the Bank, member of the senior management team or other key persons who acts as trustee of a trust should ensure that his co-trustees are aware that he is a director of NBB, so as to enable them to anticipate possible restrictions on dealing in shares (or other listed securities, if any) of the Bank. A director having funds under management should likewise advise the investment manager.

Any director of the Bank, member of the senior management team or other key person who is a beneficiary, but not a trustee, of a trust which deals in securities of the Bank, should endeavour to ensure that the trustees notify him after they have dealt in the Bank's shares (or other listed securities, if any) on behalf of the trust, in order that he in turn may notify the Bank. For this purpose, he should ensure that the trustees are aware of his directorship of NBB.

When a director of the Bank, member of the senior management team or other key person places investment funds under professional management where either he retains or exercises influence, the fund managers should be made subject to the same restrictions and procedures as the director himself, in respect of the proposed dealings in the Bank's shares (or other listed securities).



For the purposes of the rules, the grant to a director or senior manager or other key person of an option to subscribe or purchase the Bank's shares shall be regarded as dealing by him, if the price at which such option may be exercised is fixed at the time of such grant.

The Bank's directors, senior management and other key persons should not make any unauthorised disclosure or use of confidential information gained by them by virtue of their official position or responsibility in the Bank for their own advantage or for the advantage of any other person.

Key Persons must schedule their trading of securities issued by the Bank in such a manner that their trading will not undermine confidence in the securities market.

## **Dealing policy**

### **Dealing while in possession of Inside Information:**

Any person who is in possession of inside information shall not use such information to:

- Deal in any securities to which that information relates;
- Encourage any person to deal in any securities to which that information relates;
- Disclose inside information to any other person, otherwise than in the performance of the functions of his employment, office or profession;
- Violate the rules governing the publishing of market information.

## **Notifications of dealing**

Provided he/she is not in possession of inside information, Key Persons may deal in securities of the Bank.

Key Persons are required to advise the Bank (Board Secretary) for its records on details of the dealing by the end of the next business day following the completion of the dealing.

The Bank shall immediately file with the BB such notifications by Key Persons by using Form KP2.

BB reserves the right to disseminate to the public, the dealing information as per the rules and regulations issued by the CBB.

## **Maintenance of a Register of Key Persons**

The Board Secretary in his capacity as the In-charge of Key Persons Register shall at all times maintain an updated Register of Key Persons containing the following:-

- basic personal data of Key Persons of the Bank;
- Key Persons holdings and interests in the Bank ;
- details regarding dealings by Key Persons in securities of the Bank;
- The Bank shall notify any person of his status as a Key Person of the Bank upon his appointment, election or employment, and procure a declaration of information as required.

## **Notifications to the BB on Register of Key Persons**

The Bank shall submit an updated and complete Register of Key Persons to the BB as soon as practicable but not more than 10 calendar days after the following:-

- the start of trading when it is first listed on BB;
- the conclusion of its Annual General Meeting; and
- upon request by BB.



The Bank shall further notify the BB of any changes to its Register of Key Persons within 10 calendar days of such change.

**Form KP1** for initial filings of the Register of Key Persons with the BB.

**Form KP2** for filings of changes to the Register of Key Persons.

### **Administrative aspects**

From time-to-time, the directors, members of the senior management team or other insiders would be required fill various forms to notify their basic personal information, changes to the basic personal information, declaration of beneficial ownership and changes to the beneficial ownership etc. The information provided in the forms would be subject to verification by the Bank's internal auditors, Bank's external auditors, Bahrain Bourse ("BB"), Clearing House, Central Depository System, Registrar, and other regulatory bodies as required under the regulations in Bahrain.

The legal aspects of the implementation of these guidelines will be reviewed at least once a year by the Bank's legal department.

The register data shall be verified at least once a year before the Annual General Meeting by the internal auditor of the Bank. The result of such verification shall be forwarded to the CBB not more than 10 days after the date of the Bank's AGM.

### **Violations and penalties**

Any conduct by key persons that contravenes the provisions of this Dealing Policy or any restrictions imposed by the regulatory authorities is considered an offence and will be dealt with severely. The courses of action and penalties that the Bank may impose and related procedures enforcing such penalties will include among other things:

- Cancellation of the deal
- The profit made on the deal would be recovered together with costs, if any, associated with the action
- Financial penalties
- Terminate the services of the key person
- The above penalties that will be imposed by the Bank don't discharge or exempt those who violate the Policy from any action taken by the regulatory authorities including penalties prescribed in the CBB and the Bahrain Bourse ("BB") law, rules and regulations.

### **Ongoing compliance**

Ongoing compliance with the above-mentioned rules is a regulatory requirement and contravention or non-compliance is considered as an offence.

## Definitions

**“Exchange”** Bahrain Bourse (“BB”).

**“Dealing”**, where referred to in these Guidelines, includes (whether as principal or agent) making or offering to make with any person, or inducing or attempting to induce any person to enter into or to offer to enter into any agreement for or with a view to acquiring, disposing of, subscribing for, or underwriting securities of the Bank. To be clear, dealing includes (but is not limited to) on-Exchange and off-Exchange transactions, including subscriptions of securities of the Issuer, as well as transactions relating to securities of a BB listed Issuer that are quoted on another Exchange.

**“Dealing Policy”** shall refer to this Key Person Dealing Policy as adopted pursuant to this directive/ruling/regulation and any subsequent amendments.

**“Guidelines”** shall refer to the BB’s “Guidelines on Issuers’ Key Persons Dealing in securities accepted for trading on the Bahrain Bourse (“BB”).

**“Inside Information”**, as defined in MAM-B.2.10, means information that;

- Is precise in nature relating directly or indirectly to one or more of the securities of the issuer thereof;
- Has not been made public;
- If made public, is likely to have a significant impact on the price of those securities or their derivatives;

**“Key Persons” (also defined as Permanent Insiders in MAM-B.2.17)** refers to members of the Bank’s Board of Directors, senior management, the Bank itself, and such other persons as decided by the Bank’s board to have access to inside information relating to the Bank from time to time. While key persons may have access to inside information from time to time by nature of their duties performed, they do not necessarily always possess inside information. This fact distinguishes key persons from insiders. Dealing by key persons of the Bank, therefore, does not necessarily constitute insider trading.

**“Register of Key Persons”** refers to a register maintained by the Bank which includes basic personal data of Key Persons and information on their holdings and dealings in the Bank’s shares (or other listed securities, if any). The Register of Key Persons is maintained at the Bank’s Head Office and updated by the Board Secretary.

## Availability of Dealing Policy

The Bank shall make its Dealing Policy publicly available on its website.



## A brief description about the forms to be filled

### Types of Forms

#### Register of Key Person Form (KP1)

- Company's Authorized Representative Information (Part 1)
- Particulars & Holdings of Key Persons (Part 2)
- Summary of particulars & holdings of Key Persons Register (Part 3)

#### Changes to particulars and holdings of Key Persons Form (KP 2)

##### Forms' filling Instructions:

All forms attached to this Policy must be completed by the duly authorized officer of the Bank (Board Secretary) and submitted to BB both in physical form and electronically to [insiders.register@bahrainbourse.com.bh](mailto:insiders.register@bahrainbourse.com.bh) (in excel format).

##### FormKP1 (Part 1)

"Company Authorized Representative Information" should be completed and submitted to the Exchange not more than 10 calendar days as follows:

- (i) after the start of trading when the Bank is first listed in the Exchange
- (ii) upon the conclusion of the bank's Annual General Meeting
- (iii) upon the Exchange's request.

##### FormKP1 (Part 2)

"Particulars & Holdings of Key Persons" refers to members of the Bank's Board of Directors, senior management, the Bank itself, and such other persons as decided by the Bank's board to have access to inside information relating to the Bank from time to time.

**For purpose of filling the form, a person has a holding in a security if he/she is the registered holder of the security or otherwise has the authority (whether formal or informal, or express or implied) to dispose of, or to exercise control over the disposal of, that security.**

##### FormKP1 (Part 3)

Should be completed for the purpose of Summary of particulars & holdings of Key Persons Register.

##### Form: KP2

This form should be completed for changes to the Bank's Register of Key Persons either due to additions or removal of Key Persons, or changes in the particulars or holdings of existing Key Persons.

استمارة سجل الأشخاص الرئيسيين (KP1)  
Form Register of Key Persons (KP1)

Company's Authorized Representative Information (Part 1)

بيانات الشخص المخول بالتوقيع عن الجهة المصدرة (الجزء الأول)

Name of Issuer:	اسم الجهة المصدرة
Submitted by:	مُقدم من قبل
Name	الاسم
Designation	المسمى الوظيفي
Issuer's Stamp:	ختم الجهة المصدرة
Signature	التوقيع
Date of submission:	تاريخ التقديم



# استمارة سجل الأشخاص الرئيسيين (KP1) Form Register of Key Persons (KP1)

Particulars & holdings of Key Persons<sup>1</sup> - (Part 2)

مفردات وملكيات الأشخاص الرئيسيين<sup>1</sup> - (الجزء الثاني)

المفردات/Particulars				
Name الاسم		Designation المسمى الوظيفي		ID Number رقم الهوية
Nationality الجنسية		Date of appointment تاريخ التعيين		Passport Number رقم الجواز
الملكيات/Holdings				
Security type نوع الورقة المالية	Number of securities عدد الأوراق المالية		Percentage of Holding (%) نسبة الملكية (%)	
	Direct مباشرة	Indirect غير مباشرة	Direct مباشرة	Indirect غير مباشرة
Shares أسهم				
Options خيارات				
Rights حقوق				
Warrants ورانتس				
Others أخرى				
Total المجموع				

<sup>1</sup> يرجى تعبئة هذه الاستمارة لكل شخص رئيسي على حده

الختم والتوقيع

Stamp & Signature: \_\_\_\_\_

Company's Authorized Representative

المخول بالتوقيع عن الشركة



## استمارة سجل الأشخاص الرئيسيين (KP1) Form Register of Key Persons (KP1)

Summary of particulars & holdings of Key Persons Register<sup>2</sup> - (Part 3)

ملخص سجل مفردات ملكيات الأشخاص الرئيسيين<sup>2</sup> - (الجزء الثالث)

Key Person الشخص الرئيسي	Designation المسمى الوظيفي	Nationality الجنسية	ID / Passport number رقم الهوية/ الجواز	Person under guardianship / Control of Key Person الأشخاص ذات العلاقة بالشخص الرئيسي		Security type (shares/ options/ rights/ warrants/others) نوع الورقة المالية (أسهم/ خيارات/ حقوق/ وارنتس/ أخرى)	Total holdings مجموع الملكيات
				ID / CR رقم الهوية/ السجل التجاري	Name الاسم		

<sup>2</sup> تتم تعبئة هذه الاستمارة من قبل الشخص المخول بالتوقيع عن الجهة المصدرة

**الختم والتوقيع**

Stamp & Signature: \_\_\_\_\_

Company's Authorized Representative

المخول بالتوقيع عن الشركة



**تحديث سجل تعاملات الأشخاص الرئيسيين (KP2)**  
**Changes to particulars and holdings of Key Persons Form(KP2)**

**المفردات/Particulars**

<b>Name</b> الاسم	<b>Designation</b> المسمى الوظيفي	<b>ID Number</b> رقم الهوية	
<b>Issuer's Name</b> اسم الجهة المصدرة	<b>Nationality</b> الجنسية	<b>Date of appointment</b> تاريخ التعيين	<b>Passport Number</b> رقم الجواز

**تحديث الملكيات/Changes to holdings**

Security type نوع الورقة المالية	Number of securities held before changes عدد الأوراق المالية المملوكة قبل التحديث	Date التاريخ	Number of securities acquired / Disposed or off market عدد الأوراق المالية المشتراة / المباعة أو الحالات المستثناة	Direct / Indirect مباشرة / غير مباشرة	Number of securities held after changes عدد الأوراق المالية المملوكة بعد التحديث	Percentage of issued share capital (%) نسبة الملكيات من رأس المال (%)
Shares أسهم						
Options خيارات						
Rights حقوق						
Warrants ورائتس						
Others أخرى						
<b>Total المجموع</b>						

يرجى تعبئة هذه الاستمارة لكل شخص رئيسي على حده

**الختم والتوقيع**

**Stamp & Signature:** \_\_\_\_\_

Company's Authorized Representative  
المخول بالتوقيع عن الشركة

