

BCFC



# Key Person Dealing Policy

*Version 1.0*

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## 1 Approval Details

THIS POLICY IS APPROVED AS EVIDENCED BELOW:

Sign Off	
Name	Mr. Abdulrahman Yusuf Fakhro
Position	Chairman
Signature	
Date	2nd Nov., 2010



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## 2 Revision History

Revision	Issue Date	Amendment Description	Date Effective	Revalidated
1.0	31/08/2010	Newly established		



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### 3 Policy Statement

This Key Person Dealing Policy is developed as per the requirements of LP/30/2010 Bahrain Stock Exchange (BSE) Guidelines on Issuers' Key Person Dealing Policies dated 20<sup>th</sup> July 2010. The policy is laid down with the purposes of:

- Operating under the principle of full transparency, through on-going disclosure.
- Setting out rules and obligations on BCFC key persons with respect to their dealings and holdings of the company's securities.
- Contributing to the promotion of a culture of organizational and self-compliance.
- Maintaining standards of business conduct and integrity.
- Eliminating any potential conflict of interest between the key persons and BCFC.
- Enhancing the confidence of public investors in the integrity of BCFC securities.

This policy complements the BCFC strategic drive to comply with the laws as laid down by the Central Bank of Bahrain, Ministry of Commerce and Bahrain Stock Exchange in the Kingdom of Bahrain.



### **4 Definitions**

#### **4.1 Key Persons**

The Key Person Dealing Policy replaces the Insiders' Trading Policy as per the BSE Guidelines. A Key Person is defined as a person or a juristic person that possesses or has access to price-sensitive information, from time to time, by nature of their duties performed. Key persons are:

- a- Board of Directors
- b- Senior management
- c- Bahrain Commercial Facilities Company
- d- Other persons or third parties as decided by BCFC's Board to have access to inside information relating to the Company from time to time such as consultants or contractors and who are informed as such in writing by the Compliance Officer.

The Company will review its list of Key Persons and update the same (add/delete members), when deemed necessary, at least on an annual basis.

#### **4.2 BSE Guidelines**

Shall refer to the BSE's Guidelines on Issuers' Key person Dealing Policies.

#### **4.3 Dealing**

Where referred to in these policies, 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 BCFC. Dealing is extended to, but not limited to, on-Exchange and off-Exchange transactions, including subscriptions of securities of the BCFC.

#### **4.4 Inside Information**

The Definition of inside information is set out below as per the BSE Guidelines.

This refers to any information which:

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

#### **4.5 Register of Key Persons**

Refers to a register maintained by BCFC which includes basic personal data of Key Persons and information on their holdings and dealings in the BCFC's securities. The Register of Key Persons is maintained at the BCFC's headquarters and updated by the Compliance Officer.



### 5 Scope of Applications

This policy shall be applied to all key persons of BCFC and measures will be taken to notify the key persons in writing of the necessary steps to be taken to ensure adherence to the policy.

### 6 Dealing policy

#### 6.1 Dealing while in possession of Price-sensitive Information

Dealing in the securities of BCFC while in possession of price-sensitive information is illegal. Any person who is in possession of inside information shall not use such information to:

- (a) Deal in any securities to which that information relates;
- (b) Encourage any person to deal in any securities to which that information relates;

#### 6.2 Notifications of dealing

Key Persons may deal in the securities of the BCFC as per the BSE requirements. Key Persons are required to advise BCFC through the Compliance Officer for its records on details of the dealing by the end of the next business day following the completion of the dealing.

The Compliance Officer shall immediately file with the BSE such notifications by Key Persons. BSE reserves the right to disseminate to the public the information contained in the filings.

#### 6.3 Resignation and Retirement of Key Person

Upon key persons' resignation or retirement, key persons are prohibited from dealing in the securities of BCFC within a minimum of 6 months as specified to them in writing by the Compliance Officer.

#### 6.4 Maintenance of a Register of Key Persons

The Compliance Officer shall at all times maintain an updated Register of its Key Persons containing the following:-

- (1) Basic personal data of Key Persons of BCFC;
- (2) Key Persons holdings and interests in BCFC; and
- (3) Details regarding dealings by Key Persons in the BCFC's securities.

The Compliance Officer shall notify any person in writing of his status as a Key Person of BCFC upon his appointment, election or employment in BCFC, and removed from such status and procure a declaration of information as required.

#### 6.5 Notifications to the BSE on Register of Key Persons

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

- (1) the start of trading when it is first listed on BSE;
- (2) the conclusion of its Annual General Meeting; and
- (3) upon request by BSE.



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The Compliance Officer shall further notify the BSE of any changes to its Register of Key Persons within 10 calendar days of such a change by the following forms:

- (a) Key Person Form 1 (KP1) - Register of key persons: shall be used for initial filings of the Register of Key Persons with the BSE, and
- (b) Key Person Form 2 (KP2) - Changes to Register of Key Persons: shall be used for filings of changes to the Register of Key Persons.

### **7. Restrictions on Key Person's Trading**

To ensure protection of all the key persons against any potential subjective interpretation of key persons' dealings, the Company has decided to impose a blackout period on all the key persons with the exception of the Company itself, as a separate legal entity. Without prejudice to the above, the Company shall not deal in the company's securities while in possession of price-sensitive information. The blackout period is as follows:

- a. From 15<sup>th</sup> December until the annual financial statements are released to the public.
- b. From 15<sup>th</sup> March until the first quarter financial statements are released to the public.
- c. From 15<sup>th</sup> June until the second quarter financial statements are released to the public.
- d. From 15<sup>th</sup> September until the third quarter financial statements are released to the public.

The restrictions on trading shall not be applied in cases where:

- 1. Buying securities by subscribing or obtaining them directly from the company.
- 2. Receiving securities in consideration of redemption, merger, demerger, or as a compensation in accordance with a public tender offer, or in other comparable manner.
- 3. Receiving shares as dividends (bonus shares), or another form of payout from retained earnings.
- 4. Receiving securities as compensation for work or other service.
- 5. Receiving securities as inheritance under a will, as a present or as a result of partition of an estate, or by means of similar acquisition.

### **8 Violations and Penalties**

Any proven violations of the Dealing Policy by Key Persons employed by or under contract with BCFC including directors, employees, consultants or contractors, may result in terminating their services with the Company.

### **9 Availability of Dealing Policy**

The Dealing Policy shall be publicly available on the BCFC's website.



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## **10 Appointment of Key Person Dealing Policy**

Without prejudice to the BSE Guidelines, the Board Directors retains the right to request any person ascribed as a BCFC key person to comply with this policy.

## **11 Effectiveness of Key Person Dealing Policy**

This policy is effective from 1<sup>st</sup> November 2010.