

Official Gazette
Issue no.: 3280 – Thursday 22 September 2016

Ministry of Industry, Commerce and Tourism

**Order no. (126) of 2016
Concerning the Promulgation of the Implementing Regulation of
Legislative Decree no. (27) of 2015 concerning the Commercial Register**

The Minister of Industry, Commerce and Tourism,
Having pursued Legislative Decree no. (27) of 2015 concerning the Commercial Register,
And according to the presentation of the Undersecretary of Commerce Affairs,

Has resolved the following:

Article One

The provisions of the Implementing Regulation of Legislative Decree no. (27) of 2015 concerning the Commercial Register accompanying this Order shall be enforceable.

Article Two

This Order shall be implemented by the Undersecretary of Commerce Affairs, shall be enforceable as of 1 October 2016 and shall be published in the Official Gazette.

**Minister of Industry, Commerce and Tourism
Zayed bin Rashid Al Zayani**

Issued on: 6 Dhu Al Hijjah 1437 H
Corresponding to: 8 September 2016

**The Implementing Regulation of Legislative Decree no. (27) of 2015
Concerning the Commercial Register**

**Article (1)
Definitions**

In the application of the provisions of this Regulation, the following words and expressions shall have the meanings assigned thereto, unless the context requires otherwise:

Ministry: the Ministry concerned with commerce affairs.

Minister: the Minister concerned with commerce affairs.

Law: Legislative Decree no. (27) of 2015 concerning the Commercial Register.

Commercial Register: a register in which the natural persons and corporates which are subject to the provisions of the Law and this Regulation and the Orders issued in implementation thereof are registered.

Registration: the registration in the Commercial Register.

Indication: the indication of any change to the information of the registration, whether at the request of the registration owner or by the Concerned Directorate of its own accord.

Concerned Directorate: the directorate concerned with Registration and Indication.

Registration Applicant: any natural person or corporate which files an application for registration to the Concerned Directorate.

Registration Owner: any natural person or corporate which has obtained the Registration.

Competent Bodies: the bodies concerned with the issuance of licenses for commercial activities.

Entity: any sole proprietorship, commercial company (other than joint ventures) or the branches and offices of foreign companies in the Kingdom of Bahrain.

**Article (2)
Information of Registration**

The Concerned Directorate shall prepare the information of Registration based on the Registration Application it receives, after verifying the validity of all information, and shall include the following information in the Registration:

- 1- Name, place of residence and nationality of the Registration Applicant, and the CPR or passport no. thereof, as the case may be.

- 2- Name, place of residence and nationality of the legal representative of the Entity, and the CPR or passport no. thereof, as the case may be.
- 3- Type of the activity included in the Registration Application.
- 4- The legal form of the Entity.
- 5- The trade name of the Entity.
- 6- Address of the place where the activity is practiced as included in the Registration Application.
- 7- Information of the Entity's share capital if it takes the form of a company.
- 8- Addresses of correspondence.
- 9- Any other information the Concerned Directorate deems necessary to be included.

The inclusion of the information referred to in Clauses (5) and (6) of the first paragraph of this Article shall be optional until the Concerned Directorate issues the certificate of Registration referred to in Article (11) of this Regulation.

Article (3) Indication

Any Registration Owner who wishes to make any amendments to the information of Registration shall file an Indication application to the Concerned Directorate following the method stipulated in Article (5) of this Regulation, and shall have their application accompanied by the documents and statements referred to in Article (4) of this Regulation, within thirty days from the date when the incidence requiring Indication took place.

The same procedures applicable to Registration shall be applicable to Indication. Should the Concerned Directorate approve the application, Indication shall not take place until the set fees are paid.

The Concerned Directorate may make the Indication of its own accord in the following cases:

- 1- The issuance of a judicial judgment requiring a change or amendment to the information of Registration.
- 2- The issuance of a resolution by any Competent Body requiring a change or amendment to the information of Registration.
- 3- The existence of material errors in the trade name or legal form of the Entity, or in the addresses or descriptions of Registration Owners, or otherwise.
- 4- Any other cases as may be deemed appropriate by the Concerned Directorate.

When the Concerned Directorate decides to make an Indication of its own accord, it shall notify the Registration Owner of the same within thirty days from the date on which such Indication was made to that owner's Registration.

Article (4)
Documents and Statements of Registration and Indication

Registration applications, Registration renewal or cancellation applications and Indication applications shall be accompanied by all the documents and statements determined by the Concerned Directorate as per the provisions of the Law and the regulations and orders issued in implementation thereof, and as it may deem necessary for the completion of the applications, as well as any documents or statements stipulated by other laws, regulations and orders related to Registration and the practice of commercial activities. The Concerned Directorate shall verify the validity of the documents and statements accompanying the application and conform the same with the originals whenever required.

Article (5)
**The Way of Filing Registration Applications, Registration
Renewal or Cancellation Applications and Indication Applications**

Registration applications, Registration renewal or cancellation applications and Indication applications shall be filed to the Concerned Directorate electronically, through the website prepared by the Concerned Directorate for this purpose, by filling the electronic form designated for each of the said applications.

Article (6)
**Persons Authorized to File Registration Applications,
Registration Renewal or Cancellation Applications and Indication Applications**

Registration applications, Registration renewal or cancellation applications and Indication applications shall be filed by the Registration Applicant or Registration Owner, as the case may be. The Concerned Directorate shall verify, before accepting the application, the identity and capacity of the applicant.

The Registration Applicant and Registration Owner may delegate another person for filing the application, under a power of attorney to be attached to the application. An ordinary power of attorney shall be sufficient if the application is filed through one of the professional intermediary offices approved by the Ministry.

Article (7)
**Deciding upon Registration applications, Registration
Renewal or Cancellation Applications and Indication Applications**

The Concerned Directorate shall decide upon Registration applications, Registration renewal or cancellation applications and Indication applications and notify the applicants thereof of the result within thirty days of filing the application. Should the application be rejected, the

notification shall include the reasons of such rejection. The lapse of thirty days without deciding upon the application shall be considered an implied rejection thereof.

Article (8) **Granting a Certificate of Registration**

Should the Concerned Directorate approve the Registration application, it shall give the Registration Owner a certificate of Registration after the collection of the set fees. This certificate shall include the following information:

- 1- Number and date of Registration.
- 2- Name of the Entity's legal representative.
- 3- The legal form of the Entity.
- 4- The trade name of the Entity (if any).
- 5- Address of the place where the activity is practiced as included in the Registration Application (if any).
- 6- Address of correspondence.
- 7- Registration's expiry date.
- 8- Any other information the Concerned Directorate deems necessary to be included.

The Concerned Directorate shall indicate in the certificate of Registration that the Registration Owner is not permitted to practice the activity included in the Registration application unless after the Concerned Directorate obtains the approvals and licenses issued by the Competent Bodies pursuant to Article (10) of this Regulation.

Article (9) **Acquiring the Capacity of a Corporate by Companies**

All commercial companies shall acquire the capacity of a corporate after being granted the certificate of Registration referred to in Article (8) of this Regulation, to the extent required only for the finalization of the incorporation procedures such as renting a head office for the company, opening a bank account, employing Bahraini workers, purchasing the company's supplies and obtaining the approvals and licenses required for practicing the activity from the Competent Bodies pursuant to Article (10) of this Regulation.

Article (10) **Obtaining Approvals and Licenses from the Competent Bodies**

The Registration Owner shall obtain from the Competent Bodies, within one year from the Registration date, the approvals and licenses required for practicing the activity included in the Registration application which has been previously filed to the Concerned Directorate, and shall be prohibited from practicing the activity until obtaining such approvals and licenses and the certificate of Registration referred to in Article (11) of this Regulation.

Article (11)
Certificate of Registration

After the Concerned Directorate receives the approvals and licenses referred to in Article (10) of this Regulation, after all the required documents and statements are fulfilled and after the collection of the set fees, the Concerned Directorate shall issue a certificate of Registration to the Registration Owner on the form it prepares for that purpose. Such certificate shall entitle the Registration Owner to practice the activity licensed to them.

The Registration Owner shall be committed to the following at all times:

- 1- Showing the certificate of Registration inside the place where the activity is practiced. This commitment shall exclude the persons who are licensed to practice their activities without a place of business.
- 2- Mentioning the Registration number in all the Registration Owner's papers, documents, prints and transactions with third parties in a clear and easily readable way.

Article (12)
Obtaining Copies of the Information of Registration

Each concerned party may request the Concerned Directorate to provide them with a certified and stamped copy of the information of Registration, and to certify the copies of the information of Registration printed from the Ministry's website, after the payment of the set fees. The copies of the information of Registration may not include the following:

- 1- Judgments of declaration of bankruptcy, in case a judgment was issued for rehabilitation.
- 2- Judgments and orders of enjoinderment, in case a judgment was issued for terminating the enjoinderment.

Article (13)
Renewal of Registration

The Registration Owner may request the renewal of their Registration on an annual basis, provided that all the requirements, documents and statements required by the Concerned Directorate are fulfilled and the set fees are paid. The renewal application shall be filed before the expiry of the term of Registration or the term of the latest renewal thereof.

The Concerned Directorate may renew the Registration for more than one year under one application after the collection of the set fees for each year, without prejudice to the provisions of other laws, regulations and orders related to Registration and the practice of commercial activities.

Article (14)
Elimination of Breaches and Payment of Fines before
Renewing and Cancelling the Registration and Making the Indication

The Concerned Directorate shall refrain from renewing and cancelling the Registration and making the Indication, as the case may be, if it discovers that the Registration Owner has committed breaches or has financial amounts due to the Ministry in relation to the Registration requested to be renewed, cancelled or subject to indication, or any other Registration solely attributable to that Owner. This provision shall also include the other Registrations attributable to the same partners.

Article (15)
Suspension of Activity

The Registration Owner may not suspend practicing the licensed activity for more than one year. The suspension of practicing the activity for that period of time shall be considered a reason justifying the omission of that Owner's Registration by the Directorate pursuant to the provision of Article (20) of this Regulation.

The Registration Owner may present to the Concerned Directorate an excuse justifying the suspension of practicing the activity. The Concerned Directorate shall decide upon the excuse application if it is filed within the last month of the year in which the Registration Owner suspended the activity, and shall notify the Registration Owner of the result of such application within thirty days from the filing date. The lapse of that period without deciding upon the application shall be considered an implied rejection thereof.

The acceptance of the excuse by the Concerned Directorate shall not result in the exemption of the Registration Owner from the payment of the annual renewal fees and any other financial amounts due to the Ministry by virtue of the Law or the regulations and orders issued in implementation thereof, or other laws, regulations and orders related to Registration and the practice of commercial activities.

Article (16)
Omission of Registration due to Failure to Obtain
the Approvals and Licenses from the Competent Bodies

Should the Concerned Directorate do not receive the approvals and licenses required for practicing the activity within the one year period referred to in Article (10) of this Regulation, it shall omit the Registration of its own accord and notify the Registration Owner of the decision of omission, and such decision shall be published on the Ministry's website.

Should the reason behind not receiving such approvals and licenses by the Concerned Directorate be attributable to a delay in the issuance thereof for a reason beyond the control of the Registration Owner, and should the latter realize that there is a delay in

issuance and thus present to the Concerned Directorate an acceptable excuse within the last fifteen days of the one year period referred to in the first paragraph of this Article, the Concerned Directorate shall renew the Registration exceptionally for the same term thereof, after the fulfillment of the requirements, documents and statements it deems necessary and the collection of the set fees.

Article (17)
Omission of Registration due to
Failure to Renew or Suspension of Activity

Should the Registration Owner fail to renew the Registration before the expiry thereof, or suspend the licensed activity for a consecutive period of time exceeding one year without an acceptable excuse, the Concerned Directorate shall omit that Owner's Registration and notify them of the decision of omission within thirty days from the issuance of such decision, and the decision shall be published on the Ministry's website.

The omission of Registration shall not lead to ending the liability of the Owner thereof and the persons in charge of management, as their liabilities shall continue to exist as if the Registration is still valid.

Article (18)
Omission of Registration and Closure of the Places of Practicing
the Activity in Implementation of a Judicial Judgment or Order

The Concerned Directorate shall omit the Registration or close the place of practicing the activity in implementation of any judicial judgment or order issued for the same, within the limits stated in such judgment or order.

Article (19)
Omission of Registration and Closure of the Places of
Practicing the Activity Administratively due to the Non-Fulfillment
of a Condition thereof or the Breach of the Law, Regulations and Orders

The Concerned Directorate may omit the Registration or close the places of practicing the activity in the following cases:

- 1- The breach, by the Registration Owner, of the provisions of the Law or the regulations and orders issued in implementation thereof, or the provisions of other laws, regulations and orders related to Registration and the practice of commercial activities, and Registration Owner's non-commitment to eliminating the breaches proved to be committed by them within the time period determined by the Concerned Directorate.
- 2- Non-fulfillment of a Registration condition.

The Concerned Directorate shall notify any Registration Owner whose Registration will be omitted pursuant to Clauses (1) and (2) of the first paragraph of this Article of its intention to omit their Registration at least seven days prior to omission, unless it has determined a less period for the elimination of breach or the fulfillment of the condition which is not fulfilled in the Registration.

The Concerned Directorate shall promptly decide to omit the Registration or close the place of business, or both, whenever it deems that this is the only way to eliminate the breach.

Article (20)
Returning of the Registration Omitted due to
Failure to Renew or Suspension of Activity

The Concerned Directorate shall have the right to return the Registration, which was omitted due to the failure to renew or suspension of activity pursuant to the provisions of Article (17) of this Regulation, within three years from the date of omission, at the request of the Registration Owner and after the collection of the set fees plus the amount of the financial fine due for each one month, or part thereof, delay as of the date of omission.

The Concerned Directorate may, before returning the Registration, demand the fulfillment of any conditions, statements or documents required to be submitted upon applying for the practice of the activity or the Directorate deems necessary for the Completion of the application for returning the Registration.

Article (21)
Returning of the Registration Omitted
due to the Non-Fulfillment of a Condition thereof
or the Breach of the Law or Regulations and Orders

Without prejudice to the provisions of Article (10) of this Regulation, and subject to the three-year period referred to in Article (20) of this Regulation, the Concerned Directorate may return the Registration omitted due to the non-fulfillment of a condition thereof or the breach of the Law or regulations and orders by the owner thereof pursuant to the provisions of Article (19) of this Regulation, at the request of the Registration Owner.

The Concerned Directorate shall, before returning the Registration, ascertain that the Registration Owner has eliminated the reasons of the breach or the effects thereof, or has fulfilled the condition which is not fulfilled in the Registration, and has fulfilled all the additional conditions and documents which might be required by the Concerned Directorate to ensure the non-reoccurrence of the breach that led to the omission of Registration and the payment of the set fees and any other financial amounts due to the Ministry.

Article (22)
Granting a New Registration to the
Owner of the Omitted Registration

The Concerned Directorate may grant a new Registration to any person whose Registration was omitted due to any of the reasons mentioned in the Law and this Regulation and the orders issued in implementation thereof, after the payment of the set fees and any other financial amounts due to the Ministry.

Article (23)
Administrative Investigation

1- The Concerned Directorate shall have the right to conduct an administrative investigation, of its own accord or upon serious notices or complaints it receives, of any breach of the provisions of the Law and the regulations and orders issued in implementation thereof. The Concerned Directorate shall also have the right to conduct the investigation if it has serious evidence which causes it to believe that a breach is about to take place, and starting an investigation of such breach would prevent the occurrence thereof.

The concerned Directorate may delegate one or more of the employees referred to in Article (26) of the Law to seek their assistance in conducting the investigation.

The person subject to investigation shall present all the documents, papers, statements or information related to the breach under investigation upon the request of the investigator, and shall answer all the questions and enquiries which might be raised by the investigator, in order to enable the latter to perform their task and reveal the truth of the subject matter of the investigation.

- 2- In order to conduct the investigation, the Concerned Directorate shall take into consideration the following procedures and controls:
- a- Notifying the person subject to investigation, within sufficient time before conducting the investigation, of a summarized statement of the breach(es) under investigation.
 - b- Enabling the person subject to investigation to express their defense orally or through memoranda, and allowing them to resort to an attorney if they wish to do so.
 - c- Writing down the investigation and recording it in a minutes prepared as per the procedures followed in the preparation of the minutes of administrative investigations.
 - d- Maintaining the confidentiality of the information related to the investigation, as such information may not be disclosed unless within the limits determined by law.
- 3- Should the findings of investigation indicate that the breach has occurred, the Concerned Directorate may impose upon the party in breach any of the measure stipulated in Paragraphs from (a) to (c) of Article (20) of the Law, or those stipulated in Article (19) of this Regulation.
- 4- Should the findings of the investigation indicate the existence of a criminal offence in breach of the provisions of the Law and this Regulation and the orders issued in

implementation thereof, or in breach of other laws, the Concerned Directorate shall report this matter to the competent Minister immediately after closing the investigation. The competent Minister, or whom he delegates, shall undertake to deal with the matter according to Paragraph (d) of Article (20) and the second paragraph of Article (27) of the Law.

Article (24)

List of the Names of Parties in Breach

The Concerned Directorate may prepare a list of the names of the parties who breached the Law and the regulations and orders issued in implementation thereof, as well as the other laws, regulations and orders related to Registration and the practice of commercial activities. This list shall include the addresses of the places where activities are practiced, which were used for the purpose of Registration in breach of the provisions of such laws, regulations and orders, in order to require such parties to fulfill the requirements that ensure the non-commitment of new breaches or the non-reoccurrence of the previous breaches whether by themselves or their agents or associates. The Concerned Directorate may, for that purpose, require the fulfillment of the following:

- 1- A Certificate of Good Conduct from the Ministry of Interior.
- 2- A financial guarantee not exceeding Ten Thousand Bahraini Dinars to be deposited in the Ministry's account for no less than two years. This guarantee shall not be redeemed unless after ensuring the abidance of the provider of such guarantee by applicable laws and regulations.
- 3- An account statement of the party in breach for the period determined by the Concerned Directorate, in order to ensure that party's financial solvency and seriousness in practicing the activity.
- 4- Any invoices, contracts, certificates or other documents of the party in breach or the places of business, records or other licenses thereof.
- 5- Certification of or requesting an equivalency to be obtained from official authorities for the certificates or documents submitted by the party in breach.

The Concerned Directorate may reject any powers of attorney issued for the parties in breach for the purpose of carrying out any application at the Ministry, if the Directorate is aware of or has reasonable reasons that cause it to assume that the power of attorney will be exploited for committing breaches of the laws and regulation.

Article (25)

Requesting Documents, Statements and Information

The Concerned Directorate shall have the right, at any time, to request the Registration Owner to provide it with any documents, statements or information it deems necessary for ascertaining the extent to which that Owner complies with the provisions of the Law and the

regulations and orders issued in implementation thereof. Registration Owners shall fulfill the requests of the Concerned Directorate within the time periods it determines.

Article (26)

Publication of the Information of the Commercial Register

The Ministry shall publish to the public on its website the following information:

- 1- A summary of each Registration, particularly including the following:
 - a- Number and date of Registration.
 - b- Name and nationality of the Registration Owner / or partners.
 - c- Trade name, or trademark, if any.
 - d- Address of the place of practicing the activity, if any.
 - e- Address of correspondence.
 - f- Licensed activities.
 - g- Legal form of the Entity.
 - h- Name of signatory/signatories.
- 2- A summary of the Indication made to the information of Registrations.
- 3- Names and numbers of omitted and returned Registrations.

Article (27)

Regulation of Practicing certain Activities

The Minister may issue the orders required for the regulation of practicing certain commercial activities whose practice requires more regulation, in a way that does not contradict with the applicable laws.

Article (28)

Language of Applications, Documents, Papers and Correspondence

All the applications, documents, papers and correspondence presented to the Concerned Directorate in implementation of the provisions of the Law and the regulations and orders issued in implementation thereof shall be executed in Arabic or English. Should such applications, documents, papers and correspondence be executed in another language, they shall be accompanied by a translation to Arabic or English.

Article (29)

Means of Notification

The notifications stipulated in this Regulation shall be conducted by any of the following means:

- 1- Registered mail with acknowledgement of receipt to the place of residence, the address of the place where the activity is practiced or the address of correspondence included in the commercial register.
- 2- Delivery by hand.
- 3- By email.
- 4- By fax.
- 5- Any other approved means.