



CMS/C/001/18
15th January 2018

Chief Executive Officer/General Manager
All Listed Companies,
Self-Regulatory Organizations (SROs),
SRO Members,
Legal Firms,
Auditing Firms,
Manama, Kingdom of Bahrain

Dear Sir/Madam,

Subject: Implementation of the Legislative Decree No. (1) of 2018

Reference is made to the Legislative Decree No. (1) of 2018 published in the Official Gazette No. (3348) dated 11th January 2018 regarding the amendments to certain provisions of the Commercial Companies Law No. (21) of 2001 ("CCL") in general and to the amended Article 199 (a) of the CCL in particular.

Please be advised that all listed companies are required to implement and comply with the abovementioned amendments and requirements particularly those requirements related to **Article 199 (a)** of the CCL which requires the Agenda of the General Meeting of the shareholders to be published at least 21 days before the date of the meeting.

Hence, listed companies are required to ensure the submission of the Annual General Meeting agenda to CBB's Capital Markets Supervision Directorate ("CMSD") at least 5 market days before the date of the publication, for CMSD's prior written approval.

In addition, CBB would like to highlight the following requirement of Article 176 of the CCL which requires the use of "Cumulative Voting" method for electing board members in the ordinary general meetings. This will become mandatory from the first day of the following month after the elapse of six months from the date of publishing the Legislative Decree No. (1) of 2018 in the Official Gazette, i.e. after 11th June 2018. Therefore, the cumulative voting for electing board members shall be effective at every listed company shareholders general assembly meeting to be held on 1st July 2018 and onwards.

All listed companies shall take the necessary actions to fully implement the abovementioned amendments including amending the company's Memorandum & Articles of Association if needed, and ensure compliance with all other provisions of the CBB Law, Regulations and Volume 6 of the CBB Rulebook that are related to listed companies at all times.

Yours sincerely,

Abeer Al-Saad

Director, Capital Markets Supervision Directorate

cc: Compliance Officers – Listed Companies