مصرف البحرين المركزي
Central Bank of Bahrain

CBB Announcement in Relation to Arab Insurance Group B.S.C

Manama, Kingdom of Bahrain – 16 May 2019 – The Central Bank of Bahrain ("CBB") wishes to announce that it has noted that the Board of Directors of Arab Insurance Group B.S.C ("the Group "or "the Company") has decided to cease its underwriting activities. The CBB is currently reviewing such decision taking into consideration the legal and financial position of the Company and would investigate the actions taken by the Board of Directors in light of the instructions and directions issued by the CBB to the Group on 16th April 2019. These instructions are as follows:

- Appoint a permanent Chief Executive Officer ("CEO") to the Company acceptable to the CBB. On interim basis, appoint one of senior staffs as the Acting CEO of the Company.

- Suspend, with immediate effect, all decisions related to staff layoffs and business termination at overseas branches/offices/subsidiaries, until a clear action plan is submitted to the CBB.

- Submit a clear business strategy on the way forward.

- Fill all vacant core business function positions and other critical functions with suitable staff.

- Seek a rating from a rating agency and work towards further business enhancement.

- Make a press release on the strategic direction of the Company once the same is discussed and agreed with the CBB.

- The board should acquaint themselves with sound governance practices, and the trends and opportunities in insurance business.

The CBB would also like to inform the shareholders that the suspension of trading in the Company's shares will remain until the completion of the abovementioned investigation and the submission of a clear business strategy by the Company to the CBB.

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