

**Draft**  
**Subject to Legal Review for Accuracy, Clarity, and Consistency**  
**June 18, 2004**

**FINANCIAL SERVICES**  
**NON-CONFORMING MEASURES**

Schedule of Bahrain

**Headnotes**

1. Commitments under Chapter Eleven (Financial Services) are undertaken subject to the limitations and conditions set forth in these headnotes and the Schedule below.
2. To clarify Bahrain's commitment with respect to Article 11.4 (Market Access for Financial Institutions), juridical persons supplying financial services and constituted under the laws of Bahrain are subject to non-discriminatory limitations on juridical form.<sup>1</sup>

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<sup>1</sup> For example, partnerships and sole proprietorships are generally not acceptable juridical forms for deposit taking institutions in Bahrain. This headnote is not itself intended to affect, or otherwise limit, a choice by a financial institution of the other Party, between branches or subsidiaries.

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<b>Sector:</b>	Financial Services
<b>Sub-Sector:</b>	Banking and other Financial Services (Excluding Insurance)
<b>Obligations Concerned:</b>	National Treatment
<b>Level of Government:</b>	Kingdom of Bahrain
<b>Measures:</b> Bank)	-Legislative Decree 19-1991; (Bahrain Development Bank)  -Legislative Decree 4-1979; (Bahrain Housing Bank)
<b>Description:</b>	The Kingdom of Bahrain may grant advantages and exemptions to the Housing Bank and the Bahrain Development Bank including, but not limited to, funding and guarantees, and exemptions from capital and reserves requirements.

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<b>Sector:</b>	Financial Services
<b>Sub-Sector:</b>	Insurance
<b>Obligations Concerned</b>	Market Access for Financial Institutions
<b>Level of Government</b>	Kingdom of Bahrain
<b>Measures</b>	-Legislative Decree 17-1987
<b>Description:</b>	Bahrain reserves the right to limit the number of new licenses granted to supply General (Non-Life) insurance, except medical products, for a period of six months from the date of entry into force of this Agreement.

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<b>Sector:</b>	Financial Services
<b>Sub-Sector:</b>	Leasing
<b>Obligations Concerned:</b>	Market Access for Financial Institutions
<b>Level of Government:</b>	Kingdom of Bahrain
<b>Measures:</b>	-Conditions and Licensing Criteria for Leasing Companies - Legislative Decree: 23-1973; Bahrain Monetary Agency Law
<b>Description:</b>	Beginning no later than 12 months after the date of entry into force of the Agreement, Bahrain will grant new licenses to qualifying leasing companies authorizing them to supply leasing services to individuals in Bahrain.  <b>Note:</b> Stand-alone leasing companies are currently eligible to receive licenses to supply leasing services to companies in Bahrain.

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<b>Sector:</b>	Financial Services
<b>Sub-Sector:</b>	Money Changers
<b>Obligations Concerned:</b>	Market Access for Financial Institutions, Cross-Border Trade
<b>Level of Government:</b>	Kingdom of Bahrain
<b>Measures:</b>	-Standards, Conditions, & Licensing Criteria for Money Changers License - Decree 23-1973; Bahrain Monetary Agency Law
<b>Description:</b>	Moneychangers must be incorporated in Bahrain.