

**MINISTERIAL ORDER NO. (7) OF THE YEAR 2015 WITH RESPECT TO THE
PROMULGATION OF THE IMPLEMENTING RULES AND REGULATIONS OF LAW
NO. (49) FOR THE YEAR 2015 CONCERNING POSTAL SERVICES**

The Minister of Transportation and Telecommunications;

After reviewing the Law No. (49) of 2015 with respect to Postal Services, particularly Article (28) thereof;

Upon the submission of the Undersecretary of the Ministry of Land Transportation and Post;

After the approval of the Council of Ministers,

HEREBY ORDERS:

Article 1

The Implementing Rules and Regulations of Law No. (49) of the year 2014 concerning postal services annexed to this Ministerial Order is hereby put into force.

Article 2

Any regulation that contradicts the Implementing Rules and Regulations annexed hereto shall be repealed.

Article 3

This Order and the Implementing Rules and Regulations annexed hereto shall be published in the Official Gazette and shall come into force as of the day following the date of publishing.

Kamal Bin Ahmed Mohammed
Minister of Transportation and Telecommunications

Issued on 22nd Dhul Qeda, 1436 Hejra.
Corresponding to: 6th September 2015

**THE IMPLEMENTING RULES AND REGULATIONS OF LAW NO. (49) OF 2015
WITH RESPECT TO POSTAL SERVICES**

**Part One
General Provisions**

Chapter I

Definitions

Article (1)

The following terms and expressions shall have the same meanings as those assigned thereof in the Law No. (49) of 2015 regarding postal services. Such terms and expressions, unless otherwise provided by the text is meant to be as follows:

Kingdom: The Kingdom of Bahrain.

Law: The Law No.(49) of 2014 with respect to Postal Services.

Postal Dispatches: Any written or non-written letter, money payment order, an envelope, package, parcel or box containing items or information.

Post Office Box: A container dedicated for depositing, collecting and distributing postal items installed in a post office or in a public or private location.

Documents and papers: Postal dispatches that have not the character of personal correspondence, which are sent on an express basis and are dissimilar to postal dispatches. They include: sketches, designs, contracts, agreements, computer cards, bills of lading, recordings and magnetics, etc.

Stamp: Stickers, marks or designs, either affixed or printed, with a specific value, issued by Bahrain Post to collect and receive charges for postal dispatches.

Mumtaz Mail: An express exchange of postal dispatches between a sender and an addressee subject to specific postal procedures established by Bahrain Post.

Postal Order: Any form of postal transmission of funds of a specific value sent to a particular person.

Undeliverable Items: Postal items that could not be delivered due to anonymous address or rejected by the sender or the addressee. The following dispatches are considered to be undeliverable items:

- a) Postal dispatches with no, incomplete or illegible address, or containing indecent statements.
- b) Dispatches with incomplete postage;
- c) Dispatches not claimed or inquired about within a period of more than 60 days from the date of arrival to Bahrain Post.

Postal Franking Machines: Machines that may be used for collecting and receiving the due and specified charges on postal items.

Postal Business: Licensed postal services.

License: Prior authorization granted by the Directorate of Postal Regulation to a licensee to provide a postal business.

Licensee: Natural or juridical person granted a license to provide a postal business.

Head office: Any place used by a licensee to provide postal services.

Chapter II

Postal Dispatches

Article (2)

A sender shall fasten, pack up and close the postal item in a manner commensurate with its weight, shape, nature of contents, method of transport and duration thereof, so as to ensure its safety and prevention from loss. A sender shall avoid all that may cause hazard to human's health and safety or damage to property, and in particular the sender shall take into consideration:

- a) Writing the sender's name, address and phone number in addition to the addressee's name, address and phone number clearly and legibly. No pencil may be used;
- b) complying with the specified weights and dimensions of the postal dispatches;
- c) The postal dispatch may not contain any material prohibited by international laws, regulations and conventions.

Article (3)

A postal dispatch may not contain money or gold, silver, platinum or silver ingots. A sender shall solely be responsible for the loss or damage of a postal dispatch in case of breaching such conditions.

Article (4)

Subject to the provisions of Article (3) hereof, a postal dispatch may contain precious items provided, however, that such contents are insured against an amount equivalent to their value, without any liability whatsoever on the part of Bahrain Post if the contents of such a dispatch are lost or damaged.

Article (5)

A postal dispatch will be delivered to the addressee, its affiliate or any other person that the dispatch may be delivered to in the usual and normal manner. A postal dispatch shall be deemed to have been delivered to the addressee once the dispatch or a delivery notice is placed in the addressee's post office box or at its address.

Article (6)

Where a postal dispatch is not delivered due to rejection by the addressee or due to any other reason, the sender will be notified in order to recover it within not more than one month. If the sender refuses to receive the dispatch or fails to show up during the aforementioned period, the dispatch will be entered in an appropriate register and disposed of in the manner established for undeliverable dispatches.

Article (7)

A sender of postal dispatch may request hand deliver of the dispatch in return for an additional postage to be determined by Bahrain Post subject to the type, weight, number and delivery cost of such postal dispatch.

Article (8)

A sender may request to have the address of the postal dispatch changed as long as it is still under the control of Bahrain Post and has not be delivered. Such a request will be free of charge unless it involves an increase in the postage payable for the postal service, in which case such change will be subject to a charge to be determined by Bahrain Post.

Article (9)

A sender may request to recover a postal dispatch item at any time prior to delivery to the addressee or in the event of rejection by the addressee, in which case the established postage must be paid by the party recovering the dispatch.

Section I
Mumtaz Mail Dispatches

Article (10)

Subject to the provisions of Article (2) hereof, a Mumtaz postal material will be kept in a Mumtaz mail blue-and-orange bag bearing the logo of the Mumtaz mail. The bag must be tied up and tagged by a card placed on the bag neck containing the related information of the post, and shall be entered in an appropriate register prior to dispatch.

Article (11)

Postage on Mumtaz mail dispatches is determined according to the weight of the dispatch and its destination and charged as per appropriate established postage.

Article (12)

A sender of Mumtaz mail dispatch may enquire about the dispatch from Bahrain Post at least one week after the date of depositing the dispatch with the post. The enquiring party must fulfill the details required for such enquiry.

Article (13)

If an addressee refuses to receive a Mumtaz mail dispatch or such dispatch was not conveniently delivered to the addressee for reason attributed to such addressee, the dispatch will be returned immediately to the sender.

Article (14)

If an addressee fails to come to receive a Mumtaz mail dispatch, notwithstanding the appropriate notice given, the postal dispatch will be returned to the sender three weeks from the date on which the addressee had received the delivery notice.

Article (15)

The following postal items are exempted from postage:

- a) postal dispatches exchanged between the Ministry and its relevant departments and offices;
- b) postal items sent from the Ministry to any other party inside or outside the Kingdom;
- c) postal items specified in the Universal Postal Convention;
- d) Literature for the blind up to 7 kilograms provided that it is packed in a manner that the contents are accessible.

Article (16)

A person who receives or finds a postal dispatch which does not belong to him shall return it immediately to Bahrain Post.

Article (17)

Bahrain Post shall have the right to recover any postal dispatch that may have mistakenly been delivered to or placed in an inappropriate post box.

Chapter III
Undeliverable and Seized Postal Dispatches

Article (18)

- a) Undeliverable postal items shall be entered in a proper register specially established for such purpose under the title of 'Undeliverable Items' in which the relevant details are recorded and signed by the official in charge.
- b) Undeliverable items shall be kept in separate locations away from being tampered with, for a period of 18 months from the day following the date of arrival to Bahrain Post.

Article (19)

Undeliverable items will be disposed of as follows:

- a) The contents will be destroyed if they are invaluable;
- b) Money and other valuable documents, papers and items will be kept in a steel safe on demand by their owners for a period of 18 (eighteen) months from the date of their entry in the Undeliverable Items register. If they are not claimed by their owners during the said period, their right thereto will lapse and the items will be received by the Ministry.

Article (20)

- a) Under prevailing laws, seized postal dispatches must be entered in an appropriate separate register in which the details of such seized dispatched and the reason for such seizure must be entered. Such seized postal dispatches must be kept in a separate location away from being damaged or tampered with their contents until a decision is taken in their respect.
- b) Where a postal dispatch remains with the seizing authority, such authority will be fully liable thereto and be responsible for the safeguard thereof.
- c) Where a postal dispatch referred to in Paragraph (b) above is returned to Bahrain Post, the handover of such dispatch must be made under a delivery record and attested by witnesses and signed by the parties concerned. The condition and description of such postal dispatch must be indicated, and it must be mentioned whether there had been any shortage, damage or harm to the dispatch and the severity of damage, if any, the date of handover, the deliverers and any other information related to such handover.

Part Two
Postage
Article (21)

Postage on postal dispatches shall be collected through postage stamps affixed or printed on their covers, cash payments to Bahrain Post or through the licensed postal franking machines.

Chapter I.
Postage Stamps
Article (22)

Postage stamps are exclusively issued by Bahrain Post. It is the accredited instrument of postage on postal dispatches. A postage stamp when used in postage must be intact, valid and effective and must not be a used stamp.

Article (23)

No party may issue, print or use any sticker or printed material that may be similar or could confuse with the postage stamps, which Bahrain Post has the sole authority to issue.

Article (24)

Bahrain Post will issue postage stamps in various forms, types and categories, which are commensurate with the postage fees. Bahrain Post is also authorized to issue special stamps in commemoration of national, Arab, Islamic and international occasions.

Article (25)

A stamp must be marked after fixation to a postal dispatch with the Bahrain Post seal in order to indicate the location and date of posting the outgoing postal dispatch. Depending on the size of postal dispatches, marking will be made mechanically or manually. Mechanical marking may not be used for postal dispatches which are likely to damage franking machines or on which stamps are affixed where mechanical marking is impracticable.

Chapter II
Cash Payment
Article (26)

Postage through cash payment is marked either by fixation of a rectangular stamp of Bahrain Post on the dispatch with the statement "POSTAGE PAID" and includes the name and logo of the Kingdom, the term "Mail" and a serial number, or by fixation of a round stamp with the statement "REPLY PAID", indicating an additional charge payable by the sender, other than the postage, for receiving a reply to the postal item. This also includes the name and logo of the Kingdom, the term "Mail" and a serial number. In both instances – POSTAGE PAID and

REPLY PAID - the sender will pay the postage on its postal items to Bahrain Post in cash against a receipt.

Chapter III

Postal Franking Marks

Article (27)

The franking marks will act as stamps for postal dispatches. These are stamp marks in the form of postal stamps, which include the name of the Kingdom, the postage, the term "Mail", the franking machine number composed of letters and figures and the date of posting the item.

Article (28)

The franking marks must be clear, prominent, and original, not copies. They are placed on the front cover of the postal item or on an adhesive label fixed to it.

Article (29)

The date of the franking mark on the postal item shall be the same date of delivery of such item to Bahrain Post; otherwise, Bahrain Post may refuse to receive such item.

Part Three

Postal Franking Machines

Article (30)

A prior license from Bahrain Post must be obtained in order to import, sell or use postal franking machines.

Article (31)

Import, sale or use of postal franking machines is authorized only by a license issued by Bahrain Post.

Article (32)

An application for import, sale or use of postal franking machines must be submitted to Bahrain Post on the appropriate form, together with the details and documents required. Response to such application will be made within (15) days from the date of submitting the application by notifying the applicant by registered mail with recorded delivery. The elapse of such duration without receiving the said response shall be deemed to be an implicit rejection of the application.

The concerned party may appeal against the decision of rejection within (15) days from the date of notification thereof or upon the elapse of the duration provided for in the first paragraph

above. Bahrain Post must look into the appeal within a period of thirty days from the date of submitting it. The elapse of such period without receiving any response shall be deemed to be an implicit rejection thereof.

Article (33)

- a) Bahrain Post issues a license for the import, sale or use of postal franking machines in case of approval of the said application made on the appropriate form. A license will be valid for one year and is renewable.
- b) The agent who imports and operates postal franking machines shall pay an annual license fee of 500.000 Bahraini Dinars.

Article (34)

Licensed postal franking machines must be registered with Bahrain Post. No such postal franking machine may be used unless it is registered.

Article (35)

- a) Bahrain Post is authorized to inspect the business of the party licensed to import, sell or use postal franking machines, and to examine and audit any record, document, papers, tools or the like.
- b) If an auditor appointed by Bahrain Post to audit the accounts of a licensee who is authorized to import, sell or use postal franking machines, finds out any discrepancy in its accounts, this shall be considered as violation of the licensing rules, which must be rectified by the licensee who shall bear the remunerations of the appointed auditor, without prejudice to any other action that may be taken against it in this case.
- c) A licensee, or its affiliates, who is authorized to import, sell or use postal franking machines may not prevent or obstruct the officers of Bahrain Post in charge of inspection from carrying out their regulatory duties, withhold or conceal any data from them, or fail to cooperate with them. In case of breaching such provision, Bahrain Post will have the right, by virtue of a Ministerial Order, to suspend or cancel the license, as the case may be, without prejudice to any criminal procedures that may be taken in this regard.

Article (36)

The licensee authorized to sell or use the postal franking machines shall submit a daily report to Bahrain Post regarding all the sale processes including the details of the purchasers, the sale price, type of machines sold, number thereof and the receipts of the sold franking machines.

Article (37)

The user of a postal franking machine shall exercise due diligence to keep it in a good condition. The agent who has imported the machine will be responsible for inspecting, repairing and maintaining it. In any case, a machine must be presented to Bahrain Post before and after

maintenance and repair for inspection and approval. The agent shall also provide Bahrain Post with a certificate of validity after each repair.

Article (38)

The user of a postal franking machine shall enable Bahrain Post to inspect it at any time during its normal hours of work.

Article (39)

The user of a postal franking machine is not authorized to add to its mark any advertising, writings or drawings without obtaining prior approval of Bahrain Post, which approval may be withheld without justifying the reasons therefor.

Article (40)

The user of a postal franking machine must notify Bahrain Post immediately in case the machine became unfit for use.

Article (41)

Bahrain Post is authorized to cancel or terminate the license issued for the purpose of using a franking machine in any of the following instances:

- a) breach of any of the provisions hereof;
- b) if it is established that the postal franking machine is unfit;
- c) if the user misuses the machine;
- d) if any unauthorized drawings or writings are added to the franking mark;
- e) if the user decides to abandon the use of the machine.

Article (42)

A license issued for the purpose of using a postal franking machine will be cancelled or terminated by virtue of notice in writing to the user of the machine. The user shall then deliver the machine to Bahrain Post, which will put the machine out of service after settling the remaining balance.

Part Four

Post Office Boxes

Article (43)

A private post office box is obtained through annual subscription by an application submitted to Bahrain Post on the appropriate form. The following documents shall be attached to the application:

- a) a copy of the identity card of the applicant;
- b) if the applicant is a business establishment or company, a copy of the commercial registration must be enclosed. The application must be signed by the authorized signatory of the business establishment or company;

c) any other documents requested by Bahrain Post.

Article (44)

Bahrain Post shall have the right to either approve or disapprove an application for subscription to a post office box. If an application is approved, the subscriber shall pay the relevant fees immediately in order to be able to obtain the post office box.

Article (45)

Subscription to a post office box is a one-year term which is renewed after approval of Bahrain Post and payment of the subscription renewal fees.

Article (46)

If a subscriber to a post office box fails to pay the subscription or renewal fee on the due dates, Bahrain Post shall have the right to cancel the subscription and withdraw the post office box, and the subscriber shall hand over the key of the post office box to Bahrain Post.

Article (47)

A subscriber to a post office box must preserve the box's key and notify Bahrain Post in writing in case of its loss, in which event, and at the request of the subscriber, Bahrain Post will make a new lock for the post office box against a specified fee.

Article (48)

A subscriber is solely liable for any damage resulting from unlocking its post office box or for its negligence in taking care of it.

Article (49)

A subscriber to a post office box may not assign the box to others or dispose thereof in any lawful form without the prior consent of Bahrain Post.

Article (50)

A subscriber to a post office box is not authorized to keep or open any postal item that does not belong to it and was put by mistake in its post box. In such a case, the subscriber shall hand over the item immediately to Bahrain Post; otherwise, Bahrain Post is authorized to cancel the subscription and withdraw the box from the subscriber.

Article (51)

A subscriber may abandon its subscription to a post office box at any time during the year. In this case, the subscriber will have no right to claim the subscription fee for the remaining period.

Article (52)

A subscriber to a post office box must notify Bahrain Post in writing regarding any change or amendment to its subscription details.

Article (53)

Bahrain Post has the right to use or publish the information and details of the subscribers to post office boxes in a specialized directory of post office boxes or in any other publication.

Article (54)

Bahrain Post is authorized to take any procedure that it deems appropriate, including cancellation of the subscription in case a subscriber violates any provision concerning the subscription to the post office boxes.

Article (55)

Owners of residential and commercial units and offices in multi-storey buildings must install post office boxes at the entrance of their building or in any conspicuous and convenient location subject to the specifications determined by Bahrain Post. If such provision is breached, Bahrain Post is authorized to install such boxes at the expense of the offender.

Part Five

Postal Orders

Article (56)

Bahrain Post handles the service of postal orders subject to the rules and regulations provided for in the Universal Postal Convention and to the postage categories determined by a Ministerial Order upon the approval of the Council of Ministers.

Article (57)

Bahrain Post composes the postal orders in the appropriate form, which shall include the following:

- a) the Postal order number;
- b) the amount of the order written in words and figures in Bahraini Dinars;
- c) the Name and address of the sender;
- d) the Name and address of the beneficiary;
- e) Location and date of issue of the order.

Article (58)

Postal orders are issued at the appropriate offices of Bahrain Post after verification of the order form and ensuring correct details required. The amount of the order and specified fee are collected and then the postal order is entered in the appropriate registers. A receipt will be issued

to the sender. Every effort must be made to ensure that the postal order is free from any deletion, striking off, scratching, amendment or addition.

Part Six
Licenses

Chapter I.
Authority to Issue Licenses

Article (59)

The Directorate of Postal Sector Regulation at the Ministry issues postal service licenses to natural and juridical persons who are legally authorized to carry out business in the Kingdom.

Article (60)

No postal service may be carried out under any title without the prior consent of the Directorate of Postal Sector Regulation, and no other authorities shall have the right to issue such licenses.

Article (61)

The appropriate authorities in the Kingdom shall coordinate with the Directorate of Postal Sector Regulation and obtain prior approval before granting any license to exercise the core, additional or amended business activity if such activity or any part thereof is related to any of the postal services.

Article (62)

The postal services, which may be licensed to exercise, are as follows:

- a) express transmission of documents, papers and parcels inside the Kingdom (Local) for up to 30 kilograms per any one postal dispatch;
- b) express transmission of documents, papers and parcels outside the Kingdom (International) for up to 30 kilograms per any one postal dispatch;
- c) transmission and distribution of newspapers, magazines and promotional materials;
- d) any postal service related to the services aforementioned.

Chapter II.
Application for Licenses

Article (63)

An application for a license to provide postal services is submitted to the Directorate of Postal Sector Regulation at the Ministry on the appropriate form. The application must include:

- a) the name and nationality of the applicant for the license;
- b) the postal activity or activities to be licensed;

- c) address of the head office of the applicant, which must be either owned or rented under a formal lease agreement;
- d) signature of the applicant or of the authorized representative;
- e) any other details requested by the Directorate of Postal Sector Regulation.

Article (64)

An applicant for license must pay the application fees of 100 Dinars, non-refundable. The date of payment of these fees shall be deemed to be the date of approval of the license application.

Article (65)

An applicant for license must obtain the relevant approvals from the administrative bodies and provide the Directorate of Postal Sector Regulation with the following documents:

- a) a copy of the commercial registration;
- b) the articles of incorporation of the company if the applicant is an existing company, along with the authentication of the signatures of its officials and of the administration and financial managers;
- c) a certificate of good conduct and behavior attesting that the applicant has not been convicted of a crime involving morality or honor.
- d) a copy of the identity card of the applicant or the applicant's representative;
- e) Any other documents requested by the Directorate of Postal Sector Regulation.

Article (66)

The Directorate of Postal Sector Regulation will consider the license application and submit its recommendation to the Minister within ten days from the date specified for submitting the application. The Minister will issue his/her decision of approval or rejection within thirty days from the aforementioned date and the applicant is notified about the same by a registered letter with recorded delivery. Should the said period elapse without any response, this shall be considered as implicit rejection of the application.

The concerned party shall have the right to appeal against such decision within thirty days from the date of notification or after the elapse of the period mentioned in the first paragraph without any reply. The Minister will look into the appeal within a period of thirty days from the date of submitting it. The elapse of such period without any response shall be considered to be an implicit rejection thereto.

Article (67)

In case the license application is approved, the applicant shall pay the specified fees provided for herein within a period of seven days from the date of notification of such approval; otherwise, the approval of the application shall be deemed cancelled.

Article (68)

Upon paying the license fees, the Directorate of Postal Sector Regulation will issue a license in the appropriate form for one year renewable.

Article (69)

If a licensee does not exercise the business of postal services within six months from the date of the license, the Directorate of Postal Sector Regulation will cancel the license.

Part Seven Postal Tariffs

Article (70)

The rate charged by a licensee for the provision of postal services is subject to inspection by the Directorate of Postal Sector Regulation and, without prejudice to the generality of the foregoing, the licensee shall take into consideration:

- a) Collection of a rate commensurate with the weight and type of the postal item and on a basis that will ensure coverage of the service provision cost and guarantee reasonable profit.
- b) The rate charged by a licensee for a postal dispatch of less than 50 grams for express transmission of documents or papers within the Kingdom (Local) should not be less than twice the postage charged by Bahrain Post for such services.

However, the application of such provision may be exempted by a Ministerial Order.

- c) A licensee shall provide the Directorate of Postal Sector Regulation in writing with details of the specified tariff for all postal services and any change or amendment thereto at least two weeks prior to introduction and application.

Part Eight Obligations of the Licensee

Article (71)

A licensee shall abide by the license terms and conditions, the provisions of the law and its implementing rules and regulations and by other orders issued by the Ministry.

Article (72)

The head office shall have the business name of the licensee and the office signboard must not exceed the limits of the license. Moreover, the licensee may not advertise any association or partnership with the Ministry, nor shall the licensee affix the Ministry's logo, address or the name of any of its directorates or any part thereof or suggest to any relationship with it in any form.

Article (73)

A licensee shall take into consideration for the head office the security and safety matters, as well as any other requirements provided for by the laws of the Kingdom.

Article (74)

A licensee shall comply with the customs and other laws related to importation and exportation in the course of carrying out postal business.

Article (75)

A licensee must provide detailed information about the postal business, standard of quality thereof and the tariff of each, and disseminate such information through accessible media within the Kingdom. In particular, such information must be displayed in a conspicuous location in the head office and published on its website.

Article (76)

A licensee shall provide postal services personally and through his employees in a transparent and objective manner, and in accordance with the approved quality. The licensee may not assign business to others without the prior consent in writing of the Directorate of Postal Sector Regulation.

Article (77)

A licensee shall provide its employees with uniforms bearing the licensee's business name or trademark, and shall notify such specifications to the Directorate of Postal Sector Regulation, which shall have the right to oversee the business.

Article (78)

A licensee must obtain the required approvals from the competent authorities and submit a proof of settlement of the fees and taxes payable by the licensee under the Kingdom's applicable laws.

Article (79)

A licensee shall keep the books and records required for carrying out the postal services, and in particular:

- a) the necessary financial and business records;
- b) a statistical record for incoming and outgoing postal materials;
- c) a record for undeliverable postal items;
- d) a record for seized items;
- e) a record for complaints of service users.

Article (80)

The Directorate of Postal Sector Regulation is authorized at any time to request the licensee to provide it with any information, details or documents it sees necessary to ensure compliance with the provisions of the law and of these rules and regulations. A licensee shall provide all of the information requested within the deadline specified by the Directorate.

Article (81)

A licensee must keep regulations for service users' complaints, which regulations shall provide for the rules and procedures for submitting complaints and consideration thereof. Such regulations must be approved by the Directorate of Postal Sector Regulation within three months from the date of the license. The regulations must be published and advertised in a conspicuous location in the head office and on a website.

Article (82)

A licensee must display the license and keep it in a conspicuous location in the head office and ensure legibility thereof.

Article (83)

A licensee must immediately notify the Ministry regarding any amendments to its license details or head office. A licensee may not transfer or change its head office without the prior consent of the Directorate of Postal Sector Regulation.

Article (84)

A licensee shall use the business name or trademark under which the license had been granted for all its transactions and correspondence, and may not use any other name.

Article (85)

A licensee may not cease providing the licensed services without the prior consent in writing of the Directorate of Postal Sector Regulation and after the lapse of the term specified by the Directorate.

Article (86)

A licensee may not assign the license or transfer it to others without the prior consent in writing of the Directorate of Postal Sector Regulation.

Article (87)

A licensee shall provide a system that will enable senders to track their postal items until such items are delivered to the addressees.

Article (88)

A licensee shall, within three months from the end of a fiscal year, provide the Directorate of Postal Sector Regulation with a copy of its annual financial accounts audited in accordance with

internationally recognized accounting principles approved by the Kingdom, together with a report by an independent auditor approved by the Directorate of Postal Sector Regulation.

Article (89)

If a licensee has sufficient evidence to believe that a postal dispatch contains any of the prohibited materials, the licensee shall make a record of the incident and refer such record to the legally competent authority to take appropriate action. The licensee must notify such incident to the Directorate of Postal Sector Regulation within three working days.

Article (90)

A licensee shall enable members of the Directorate of Postal Sector Regulation to make field visits to its head office and to carry out the necessary examinations to ensure compliance with quality standards.

Members of the Directorate of Postal Sector Regulation who have the power of Judicial Officers may enter into the head office and other locations of postal services and have access to all documents, records and systems that may help them perform their duties.

Article (91)

A licensee must confine business to postal services, abide by the limits of the license, comply with issuing regular receipts and financial entries and fulfill its obligations and payments due to the Ministry without delay.

Article (92)

If a licensee wishes to open a new branch for carrying out postal services, it must submit an application to the Directorate of Postal Sector Regulation for prior approval.

Article (93)

A licensee must maintain regular commercial books and asset records and enter its postal service sales and the value thereof in such books in a manner that each activity is shown separately. The licensee must provide the Directorate of Postal Sector Regulation with any details requested.

Part Nine

Prohibited Items

Article (94)

A licensee may not deal in, send or import by mail or enclose with a postal dispatch any material which is prohibited by law or by international conventions to possess, handle or transmit. If it is found by the Ministry or if the Ministry has circumstances to believe that any such prohibited item is available, it shall make a record of the incident and refer it to the competent investigating authority for action.

Article (95)

Without prejudice to the generality of Article (94), a licensee may not deal in the following materials:

- A) explosive, flammable and other hazardous materials;
- B) narcotic drugs, psychotropic, radioactive and toxic substances and the like, except for those excluded by a special provision or if such materials are sent for medical or scientific purposes to officially authorized competent authorities;
- C) Materials offensive to the Islamic teachings or breaching public order or morality.

Article (96)

If a licensee finds out that a postal dispatch contains any of the materials mentioned in Articles 94 and 95 hereof, the licensee must immediately handover such dispatch to the Ministry to dispose with it.

Article (97)

In the course of carrying out the postal services business, a licensee shall strictly abide by the provisions of the law, these rules and regulations and by any orders, rules and instructions issued by the Ministry and, without prejudice to the generality of the aforesaid, a licensee shall:

- a) comply with the general policy of the postal sector;
- b) observe the Kingdom's obligations under international postal services related conventions;
- c) make postal services available to each and every person without any discrimination in return for the postages and tariffs specified;
- d) Provide detailed information about the postal services offered, quality of such services and the specified tariff thereof and regularly update such information and publish it in accessible media in the manner determined by the Directorate of Postal Sector Regulation.

Part Ten

Licensee's Liability

Article (98)

A licensee is responsible for any loss, damage or delay in the delivery of postal items which are deposited with the licensee by virtue of deposit receipts. However, a licensee will be exempted from such responsibility in the following instances:

- a) force majeure;
- b) if such loss, damage, delay or error in delivering the postal item is a result of the sender's mistake or negligence or attributable to the nature of the dispatched materials;

- c) If it is found that the contents of the postal item dispatched is prohibited by laws and regulations.

Article (99)

The responsibility of a licensee for the registered postal items terminates once such items are delivered to the addressee in accordance with the delivery rules and procedures.

Part Eleven

Financial Regulations and License Fees

Chapter I

Financial Regulations

Article (100)

A licensee shall, within three months from the end of the dutiable period, submit to the Directorate of Postal Sector Regulation financial statements illustrating the gross sales of postal services for the period where Postage is due, within three months from the end of such period. Such statements must be audited and ratified by a licensed and certified auditor.

Article (101)

A licensee shall submit to the Directorate of Postal Sector Regulation the following final financial statements within fifteen days from ratification and approval by the certified auditor:

- a) closing account.
- b) analytical statements for the sales of the postal services.
- c) any other financial statements requested by the Directorate of Postal Sector Regulation.

Article (102)

The Directorate of Postal Sector Regulation may appoint an auditor to examine the licensee's accounts after notification in writing, in which case the licensee shall submit all details, information and papers requested by the appointed auditor within the deadline specified..

Article (103)

If the auditor appointed by the Directorate of Postal Sector Regulation discovers any discrepancy in the licensee's accounts, this shall be considered to be violation of the license terms and conditions and must be rectified by the licensee who shall pay the remunerations of the appointed auditor, without prejudice to any other action that may be taken in this respect.

Chapter II
Licensing Fees
Article (104)

A licensee shall settle the following licensing fees:

- a) the licensing fees for express transmission of documents, papers and parcels within the Kingdom (Local) – an amount of 500.000 Bahraini Dinars;
- b) license fees for express transmission of documents, papers and parcels outside the Kingdom (International) – an amount of 1,000.000 Bahraini Dinars;
- c) annual license fees for express transmission of documents, papers and parcels (Local), an equivalent of 5% of the total annual income of the licensee from postal services, provided that it shall not be less than 500.000 Bahraini Dinars.
- d) annual license fees for express transmission of documents and papers (International) - an equivalent of 10% of the total annual income of the licensee from postal services, provided that it shall not be less than 1,000.000 Bahraini Dinars.
- e) Licensing fees for other postal services, an amount of 500.000 Bahraini Dinars, and an equal amount for the annual license renewal.

Article (105)

A licensee must pay the due fees to the Ministry on their due dates. In case of a delay in payment, the licensee shall be liable to pay a delay penalty of 5% for each day of delay.

Part Twelve
Expiration and Cancellation of Licenses

Chapter I
Cancellation of Licenses

Article (106)

The Directorate of Postal Sector Regulation may, by virtue of a Ministerial Order, cancel the license issued to a licensee, if the licensee:

- a) fails to maintain the required records set forth herein;
- b) Commits any fraud, forgery or falsification of statements or documents submitted to the Directorate of Postal Sector Regulation in order to obtain or renew license.
- c) Abstains from reporting to the Directorate of Postal Sector Regulation the postal services or denies it access to records and details.
- d) Provides unauthorized postal service or provides the service in a place other than the approved head office.

- e) Opens a branch or establishes an agency without obtaining approval of the Directorate of Postal Sector Regulation.
- f) Banned from carrying out any business activity.
- g) delays payment of financial obligations for a period of three months;
- h) violates the provisions set forth in the law or herein, or is condemned in a crime or felony or offended the postal service;
- i) fails to commence postal services for a period of six months from the licensing date.
- j) Becomes unable to provide the postal services for any reason.

Article (107)

Without prejudice to the provisions of Article (106) hereof, the Directorate of Postal Sector Regulation may, instead of cancelling the license, take one or more of the following measures against a violating licensee:

- a) Warn the licensee in writing in order to put an end to the violation within a maximum of one week from the date of the warning;
- b) Suspend the license for a period of not less than 2 months and not more than 6 months for activities made subsequent to the suspension decision.

Chapter II

Termination of License

Article (108)

A license will terminate automatically in any of the following instances:

- a) end of the specified period without renewal;
- b) cancellation of the license under the provisions of these rules and regulations;
- c) merger of a licensed juridical person with another without obtaining the prior consent of the Directorate of Postal Sector Regulation;
- d) cancellation of the license at the request of the licensee;
- e) termination of the juridical person status for any reason;
- f) cancellation of the postal service of the licensee

Part Thirteen

Supervision and Inspection

Article (109)

Employees of the Directorate of Postal Sector Regulation who are assigned for such purpose may inspect the business of a licensee and examine and audit any records, documents, papers, systems, etc. which, in their own discretion, are considered necessary to verify the licensee's proper performance of the licensed business.

Article (110)

A licensee shall enable the employees of the Directorate of Postal Sector Regulation to inspect its head office and examine the files, records and other details, which are relevant to the postal services provided.

Article (111)

Inspection is carried out in the licensee's head office, branches and warehouses at any time the Directorate of Postal Sector Regulation feels suitable during the licensee's hours of work. The licensee shall facilitate the inspection procedures, fully cooperate with the employees of the Directorate of Postal Sector Regulation and enable them to carry out the inspection as required.

Article (112)

A licensee or its affiliates may not prevent or obstruct the employees of the Directorate of Postal Sector Regulation in charge of inspection from carrying out their regulatory task, withhold or conceal any details from them, or fail to cooperate with them. In case of breach of such provision, the Directorate of Postal Sector Regulation may, by virtue of a Ministerial Order, suspend or cancel the license, as the case may be, without prejudice to any criminal procedures that may be taken in this regard.

**Part Fourteen
Conclusive Provisions**

Article (113)

The employees of the Directorate of Postal Sector Regulation who are empowered with the authority of Judicial Officers under Article 23 of the law shall have full power to inspect the business and activities of the licensee, identify any violation of the provisions of the law and of these rules and regulations and seize any documents, records, papers, machines or any relevant systems.

Article (114)

A licensee is any person who, on the date of promulgating this law, lawfully exercises postal services or deals with postal franking machines during the period of 6 months specified by the law.

A licensee who wishes to continue providing postal services or deal with postal franking machines, shall align and organize its position to conform with the provisions of the law and its implementing rules and regulations, Such licensee must then apply for a license to the Directorate of Postal Sector Regulation within a period of not more than 30 days from the date of coming into force of these rules and regulations.