

(1)**Risk Management
Terms of Reference (Charter)**

Headed and Supervised by	Bank
Mr. Jean-Christophe Durand	NBB

Chaired by	Position	Bank
Bruce Wade	Chief Risk Officer	NBB

Purpose

The purpose of establishing the Risk Management Committee in the Bahrain Association of Banks is to assist the Board of Directors in addressing risk matters related to the Banking industry or the economic conditions in Bahrain, GCC and international world.

Members

The Committee shall be composed of the following members:

1. Bruce Wade **(Chairperson)**
2. Maisoon Mohamed BenShams **(Deputy Chairperson)**

The Committee may invite other individuals and experts to attend its meetings or present reports and studies to the Committee. Such invitees shall not have the right to vote on the resolutions of the Committee.

Any member who does not attend three consecutive meetings of the Committee without cause shall automatically cease to be a member of the Committee and shall be replaced by the Board of Directors.

Responsibilities of the Committee

1. To assist the Board of Directors, the central Bank of Bahrain (CBB) and all other related institutions in matters related to operational risks, market risks and credit risk.
2. To study liquidity issues within the banking industry and propose solutions and recommendations to deal with such issues.
3. To study and analyze the several trends in international market and its impact on the banking industry in Bahrain.
4. To assist the Board of Directors in evaluating the different methods and controls applied by the Association in its own activities or in the banking industry in general.
5. The committee shall present reports to the Board of Directors on frequent basis or as the Board may require from time to time.
6. To work with CBB to improve the legal and other ministries practices that adversely impact-banking activity.
7. To ensure full implementation and adherent to anti-money laundering rules and regulations.
8. To encourage, promote and administer programmers educating employees and members of the Association on Anti-Money Laundering Systems and programmer.
9. To work with CBB, Ministry of Interior and other governmental organization locally and regionally on the compacting of money laundering, trafficking and financial crimes.

Governance and Reporting

The Committee shall work under the direct supervision of the Board and with co-operation of the Chief Executive Officer.

Any study, report or recommendation approved by the Committee shall be submitted to the Chief Executive Officer in order to be presented to the Board of Directors or CBB or any other regulatory authority.

Meetings

The Committee shall meet at least four times a year (every three months). The Chairman of the committee, if he deems fit, may call for additional meetings.

Secretary

The Committee may appoint a secretary from its members or from outside who shall be responsible for preparing and distributing the minutes, which shall be presented for the Board of Directors for perusal.