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**Legislative Decree No. (22) of 2021, promulgating the Implementation Law in Civil and Commercial Matters**

We, Hamad bin Isa Al Khalifa, King of the Kingdom of Bahrain.

Having reviewed the Constitution, especially Article (38) thereof;

Civil and Commercial Procedures Law promulgated by Legislative Decree No. (12) of 1971, as amended;

Legislative Decree No. (3) of 1972 regarding the Judicial Fees, as amended;

Penal Code promulgated by Legislative Decree No. (15) of 1976, as amended;

Cassation Court Law promulgated by Legislative Decree No. (8) of 1989, as amended;

Judicial Authority Law promulgated by Legislative Decree No. (42) of 2002, as amended;

Criminal Procedures Law promulgated by Legislative Decree No. (46) of 2002, as amended;

Central Bank of Bahrain and the Financial Institutions Law promulgated by Law No. (64) of 2006, as amended;

Legislative Decree No. (30) of 2009 regarding the Bahrain Chamber for Economic, Financial and Investment Dispute Resolution, as amended by Legislative Decree No. (64) of 2014;

Real Estate Registration Law promulgated by Law No. (13) of 2013;

Arbitration Law promulgated by Law No. (9) of 2015;

Reorganization and Bankruptcy Law promulgated by Legislative Decree No. (22) of 2018, as amended by Legislative Decree No. (25) of 2020;

And upon the submission of the Prime Minister,

And after the approval of the Council of Ministers,

**Hereby Decree the following Law:**

**Article One**

The provisions of the attached law shall apply to the implementation of Civil and Commercial Matters.

**Article Two**

The provisions of the attached law shall apply to execution procedures for which other laws provide for the application of the Civil and Commercial Procedures Law thereto.

**Article Three**

The provisions of the attached law shall apply to existing execution files before its entry into force. Such files shall be regularized in accordance with its provisions within three months from the date of its implementation. The entry into force of the attached law shall not affect existingseizure and sale procedures.

The Minister concerned with Justice Affairs, after the approval of the Supreme Judicial Council, shall order the establishment of a regularization mechanism for the status of these files.

**Article Four**

Part eight of the Civil and Commercial Procedures Law promulgated by Legislative Decree No. (12) of 1971, shall be repealed.

**Article Five**

The Minister concerned with Justice Affairs shall promulgate the executive decisions for the implementation of the attached law within six months from the day after its publication in the Official Gazette.

**Article Six**

The Prime Minister and the ministers - each within his jurisdiction- shall implement this Law and shall come into force following the lapse of six months from the date of its publication in the Official Gazette.

**King of the Kingdom of Bahrain**

**Hamad bin Isa Al Khalifa**

**Prime Minister**

**Salman bin Hamad Al Khalifa**

Issued at Riffa Palace:

On: 2 Safar 1443 A.H.

Corresponding to: 9 September 2021

**Implementation Law in Civil and Commercial Matters**

**Chapter One**

**General Provisions**

**Article (1)**

**Jurisdiction of Execution Courts**

Execution courtsare responsible for enforcing execution orders.The execution is carried out under the supervision of the Execution Judge, assisted in execution procedures by a sufficient number of private executor s.  The Execution Judgeis responsible for issuing decisions and orders related to execution, unless otherwise provided by the law.

The Execution Judge may authorize the use of coercive force when necessary and the use of police officers and order the breaking of doors and the unlocking of locks by force.

**Article (2)**

**Execution Orders**

Execution orders include judgments and decisions issued by courts, regardless of their types and levels, as well as decisions of arbitrators after being ordered for execution by the competent court, authenticated documents, reconciliation minutes approved by the courts, and other documents designated by the law with such status.

**Article (3)**

**Execution Order of Arbitration Judgments**

Arbitration judgments may be enforced by submitting a request to the Registry Department of the High Court after paying the prescribed fee, along with the original judgment or a copy thereof and a copy of the arbitration agreement.  If the judgmentis written in a language other than Arabic, a translation into Arabic shall be provided, and the court clerk shall write a record of this request and his copy shall be announced to the person required to implement the judgment in the face of it.

The arbitration judgment shall be executable by an order issued by the President of the High Court, after reviewing the judgment and arbitration agreement and verifying that there is nothing to prevent its execution.

**Article (4)**

**Assign Some Supporting Tasks for Execution Procedures to the Private Sector**

The Minister concerned with Justice Affairs may assign some support tasks for the execution procedures to the private sector, and their cost is considered as judicial expenses.

**Article (5)**

**Licensing for private executor**

The Minister concerned with Justice Affairs shall license private executors and supervise them administratively. The Minister concerned with Justice Affairs shall, after obtaining the approval of the Supreme Judicial Council, issue a decision specifying the conditions and procedures for granting and renewing the private executors’ license, license period, the tasks and procedures for which licensing is allowed, regulating the work of the licensed executors, their duties and responsibilities, cases of their incompetence, and organizing administrative and technical inspection of their work, including keeping records, presenting mediation to the parties in dispute, estimating their fees and wages, and determining the procedures for holding the licensed executor accountable for any violations committed during the performance of his work.

License request or renewal feesshall be determined by a decision of the Minister concerned with Justice Affairs, after the approval of the Council of Ministers.

**Article (6)**

**The Private Executor and his Employees in the Jurisdiction of Public Employees**

The private executor and his employees are considered public employees in the application of the Penal Code provisions regarding crimes committed by them or against them during the course of their licensed work and procedures.

All records, receipts, and documents related to their work and procedures shall be the property of the Ministry responsible for Justice Affairs.

**Article (7)**

**Supervision and Control over the Private Executor**

The private executor carries out his work under the supervision and control of the Execution Court Judge. He is also entitled, under the judicial orders or procedures assigned to him by law, to take the necessary measures.

**Article (8)**

**The Private Executor’s Oath**

The licensed private executor, whether a natural person or a representative of a legal entity, shall take the following oath before the Minister concerned with Justice Affairs before performing his duties, "I swear by Almighty God to perform every task assigned to me with honesty and integrity."

This oath shall be deemed to apply to all tasks that the executor is assigned to do.

**Article (9)**

**Disciplinary Penalties that May Be Imposed on the Private Executor**

The disciplinary penalties that may be imposed on the private executor for violating the provisions of the law and the decisions issued in implementation thereof are:

1- A warning.

2- A fine not exceeding ten thousand dinars.

3- Cancellation of the license

**Article (10)**

**Execution of Final Judgments under Accelerated Execution**

Judgments may not be enforced according to the procedures of this law if an appeal is allowed, except for the accelerated execution stipulated by law or required by the judgment. This is except for final judgments issued by lower courts pursuant to paragraph two of Article (8) of the Civil and Commercial Procedure Law issued by Legislative Decree No. (12) of 1971.

Acceleratedexecution shall be mandatory by law for judgments and orders issued in urgent matters.

**Article (11)**

**The provisions covered by the accelerated execution are mandatory**

The judgments issued in commercial matters are subject to accelerated execution, provided that a bail is submitted.

The court shall also include its judgmentof accelerated execution without bail, in the following cases:

1- If the convicted has acknowledged the establishment of the obligation.

2- If the judgment has been issued as an execution of a final judgment, is based on an official document that has not been challenged for forgery, or is based on an informal document that has not been denied, provided that the convicted was either a defendant in the previous judgment or a party to the document.

3-   If the judgment is issued with a determination of temporary alimony, obligatory alimony, custody fees, suckling, housing, or handing over the child to his mother.

**Article (12)**

**Provisions covered by authorized accelerated execution**

Upon the request of the litigants, the court may include its judgment for accelerated execution on bail in the following cases:

1- If the judgment has been issued within actions for possession.

2- If the judgment has been issued to evict a tenant from the rented property in accordance with the law.

3- If the judgment has been issued for the payment of salaries and wages of employees, service providers, artisans or workers.

4- If the judgment has been issued for urgent repairs.

**Article (13)**

**Stay of Accelerated Execution**

The court hearing the appeal or complaint may order, upon the request of the interested parties, the stay of the accelerated execution if there is a risk of significant harm from the execution and the grounds for the appeal or complaint suggest its invalidity.

**Article (14)**

**Obligor’s Option to Deposit the Bail**

In cases where a judgment or order can only be executed on bail, the obligor may choose between depositing a sufficient amount of money or financial instruments with the Execution Administration Treasury or handing over the matter ordered to be handed over in the judgment or order to a trustworthy guard.

**Article (15)**

**Unseizable Funds**

The following may not be subject to attachment or execution:

1- Public or private funds owned by the state.

2- Funds of foreign embassies and diplomatic missions that enjoy diplomatic immunity.

3- Governmental support and social aid provided to the debtor against whom execution is sought.

4- The necessary bedding for the debtor against whom execution is sought, as well as for his spouse, relatives, and in-laws living with them in the same household, clothing included.

5- Wages and salaries from the employer, except for one-quarter of the total fixed wage or salary; in case of conflicting claims, half of the total shall be allocated to the payment of maintenance debts and the other half to other debts. If the attachment is made to the debtor's bank account, the provisions of Article (31) of this law shall apply.  The attachment of wages shall not prevent the attachment of other funds of the debtor against whom execution is sought.

6- Tools and other movable property necessary for the debtor's profession, provided that they are used by the debtor himself and are not secured debts or debts arising from their price.

7- The residence of the debtor, which he lives in with the family that he is legally responsible for supporting. In the event of the debtor's death before paying off the debt, the residence shall be left to his heirs who are living in it and those that he is legally responsible for supporting during their lifetime, provided that it is proportionate to their situation and subject to the condition that the residence is not secured by a debt that the debtor has borrowed or if the debt arises from the price of the residence.

8- Incomes, payments, or expenses allocated to the debtor, except for one-quarter of the total, provided that the debtor does not receive a wage or salary and if the aforementioned are necessary for him and his family's livelihood. If the attachment is made to the debtor's bank account, the provisions of Article (31) of this law shall apply.

**Article (16)**

**Execution of Judgments and Orders Issued in a Foreign Country**

Judgments and orders issued in a foreign country may be executed under the same conditions provided for in that country’s law for the execution of judgments and orders issued in the Kingdom of Bahrain.

The request for execution shall be submitted to the High Court through authorized means, including electronic means, after payment of the prescribed fee.

The execution shall not be ordered unless the following is verified:

1- That the Courts of the Kingdom of Bahrain are not competent to hear the dispute in which the judgment or order was issued, and the foreign courts that issued it are competent to hear it in accordance with the rules of international jurisdiction established in its law.

2- That the litigants in the lawsuit in which the judgment was issued were properly summoned and represented.

3-That the judgment or order has acquired finality according to the law of the court that issued it.

4- That the judgment or order does not contradict a judgment or order previously issued by the courts of the Kingdom of Bahrain and does not contain anything that violates public policy or morals in the Kingdom of Bahrain.

**Article (17)**

**Execution of Official Documents Issued in a Foreign Country**

Official documents issued in a foreign country may be executed under the same conditions provided for in the law of that country for the execution of executable official documents issued in the Kingdom of Bahrain.

The request for execution shall be submitted to the Execution Court Judge through authorized means, including electronic means, after payment of the prescribed fee.

Execution shall not be ordered unless the required conditions for the authenticity and enforceability of the document are met in accordance with the law of the country where it was issued and unless it is free from anything that violates public policy or morals in the Kingdom of Bahrain.

**Article (18)**

**Non-Violation of International Treaties**

The application of the rules stipulated in Articles (16) and (17) of this law shall not violate the provisions of treaties concluded or to be concluded between the Kingdom of Bahrain and other countries in this regard.

**Article (19)**

**Notification of the Debtor**

Before submitting a request for execution, the applicant for execution shall notify the debtor of the payment and provide a copy of the execution document before at least seven days in accordance with the conditions specified in a decision issued by the Minister concerned with Justice Affairs after the approval of the Supreme Judicial Council.

**Article (20)**

**Submitting a Request for Debt Repayment**

The convicted person shall fully fulfil the amount of the executive instrument, and the Minister concerned with Justice Affairs shall issue a decision regarding the procedures related to that.

**Article (21)**

**Filing an Execution Request**

The execution request shall be submitted through approved means, including electronic means. The Minister concerned with Justice Affairs, after the approval of the Supreme Judicial Council, shall issue an order with all the procedures and documents required to submit the execution request, including a copy of the notification served to the debtor pursuant to Article (19) of this Law or any equivalent document indicating the impossibility of fulfilling it, and the procedures for serving the notification to the debtor.

If the debtor dies, loses capacity, or the person authorized to act on his behalf loses capacity before the execution proceedings commence or are completed, execution shall not be permitted until one month has elapsed from the date on which the debtor’s heirs or representatives are notified of the execution request.

In the case of the debtor's death, the execution request shall be announced to the debtor's heirs in the last place of residence without disclosing their names and capacities.

**Article (22)**

**Inadmissibility of Challenging the Execution Document or the Judgment Description**

Objections to the execution proceedings shall not be accepted by the Execution Court if the objections are based on challenging the document to be executed or alleging any errors therein.

The Execution Court Judge shall not modify the judgments described as being preliminary or final or include them in the accelerated execution unless they are not included therein. Furthermore, they shall not be prevented from being executed if they are included in the accelerated execution.

**Article (23)**

**Inadmissibility of Interpreting Ambiguity in the Judgment**

If there is any ambiguity or uncertainty in the judgment to be executed, or if it requires clarification, the Execution Court judge shall not be permitted to interpret or clarify it. Instead, the judge shall seek a written explanation from the court that issued the judgment regarding any ambiguity or uncertainty contained therein before proceeding with the execution.

**Article (24)**

**Disclosure**

The convicted shall disclose, on the model prepared for this purpose, within seven days from the date of being notified or becoming aware of any execution action, all his funds within the limits covering the value of the execution document. If his funds do not cover the value of the execution document, the convicted shall make a full disclosure of all his funds, whether held by him or others. The convicted is also obliged to disclose any future funds that may come to him.

If the convicted discloses according to the previous paragraph, he shall disclose all the funds he had since the date of filing the lawsuit on which the execution is based or the date of the creation of the execution document.  His obligation to disclose his funds continues within seven days of any changes to his funds until the execution is complete.

**Article (25)**

**Specific Performance and Threatening Fine**

Necessary seizure measures are taken for specific performance if applicable. If the convicted person does not execute the judgment within ten days from the date of its announcement, the executor mayrequest that the Execution Judge rule a threatening fine against the convicted to compel him to execute.

If the Execution Judge considers that the amount of the imposed fine is insufficient to compel the convicted to execute, he may increase it as necessary.

The convicted person may appeal the judgment of the threatening fine or its increase directly to the High Court after paying the required fees, and the ruling issued in the appeal is final.

If the convicted proves that the specific performance is not possible, the execution procedures shall be suspended.

The Minister concerned with Justice Affairs, after the approval of the Supreme Judicial Council, shall order specifying the rules and procedures if the subject of the executive document is in kind, including the extradition procedures.

**Article (26)**

**Termination of Execution Procedures**

Execution procedures shall not be terminated except by full execution of the debt or by the submission of a settlement agreement between the creditor and the debtor.

**Chapter Two**

**Execution Against Natural Persons and Legal Entities**

**Article (27)**

**Scope of Application**

The provisions of this chapter shall apply to natural persons and legal entities, excluding commercial companies, financial institutions licensed under the Central Bank of Bahrain Law, and financial institutions regulated by Law No. (64) of 2006, to which the provisions of Article (50) of this law apply.

**Article (28)**

**Stay of Execution Proceedings**

If it is established to the judge of the execution court that reorganization and bankruptcy proceedings have been initiated against a natural person in his capacity as a trader, the execution proceedings shall be suspended immediately.

**Article (29)**

**Seizure of Assets of the Debtor**

Seizing measures shall automatically be taken on the debtor’s assets upon the request for execution, and the following actions are taken in this regard:

1- Seizure of bank accounts and direct execution on them within the limits of the debt specified in the execution document.

2- Seizure of movables and real estate.

**Article (30)**

**Proportionality of the Seized Assets' Value to the Execution Document’s Value**

If the debtor proves that his assets significantly exceed the amount specified in the execution document, they may propose that one of the seized assets be executed instead of the rest of their assets.  It is up to the judge of the Execution Court to lift the seizure if this does not affect the speed of execution and guarantees the full settlement of the debt.

The creditor or the debtor may lodge a complaint regarding the decision before the Execution Court judge within seven days from the date of his notification or knowledge thereof.

They may also appeal the judgment of the Execution Court judge in the complaint within seven days from the date of its notification or knowledge thereof, and the ruling of the Appeal Court shall be final in this regard.

**Article (31)**

**Minimum Amounts That Cannot Be Seized**

The Minister concerned with Justice Affairs, after the approval of the Supreme Judicial Council, shall issue a decision on determining the minimum value of amounts that cannot be executed against in the debtor’s account.

**Article (32)**

**Guidance**

The creditor may, at any time, guide the Execution Court judge about any money belonging to the debtor, whether they are with him or with others. The Execution Judge may also order the debtor's relatives, in-laws, agents, employees, customers, suspected supporters, or obligors to disclose any funds belonging to the debtor with them and any other funds that have come to them from him, from the date of filing the lawsuit under which the execution took place or the date of the execution document, within the limits of what achieves the purpose of disclosure.

The person ordered to disclose shall initiate, within a period not exceeding ten days from the date of notification, the submission of all required data to the court.

**Article (33)**

**Rules and Procedures for Seizure, Sale, Distribution of Enforced Debtor's Assets**

The Execution Judge may order the seizure of the debtor's movables and their sale, the seizure of stocks, bonds, revenues, and shares and their sale, the seizure of what the debtor owns with others, the seizure of salaries and wages, the seizure of real estate and its sale, and the distribution of the sale proceeds. The Minister concerned with Justice Affairs, after the approval of the Supreme Judicial Council, shall issue a decision on the determination of the rules on how to seize and distribute the sale proceeds.

Except for what is stipulated in Article (34) of this law, the Execution Judge's decision to approve the sale is conclusive evidence of ownership in favour of the buyer after the deadline for the complaint or appeal has passed.

**Article (34)**

**Commencing Procedures for Selling Real Estate by Public Auction**

It is not permissible to commence the procedures for selling a property through public auction except by virtue of a judgment from the Execution Court judge allowing its sale through public auction and subsequently transferring the ownership of the property to the highest bidder, in accordance with the procedures, after the debtor has been notified of the sale for at least ten days before the date of the judgment.

The decision to sell the property may be appealed to the High Court within fourteen days, and an appeal by cassation may be filed against the judgment issued in the appeal on the following grounds:

1- The sale is on a property that is not owned by the debtor.

2- The sale of the property is legally prohibited.

3- The existence of rights over the property equal to or exceeding its value.

4- Existence of other funds that cover the entire debt and do not impede the execution process and guarantees for the full payment of the debt in accordance with Article (30) of this law.

The procedures for selling the property through a public auction shall not commence until the judgment is final and conclusive.

The Execution Judge's decision to approve the sale, which was madepursuant to the judgment and in accordance with the procedures, shall serve as proof of ownership for the purchaser after the deadline for complaint or appeal has elapsed.

**Article (35)**

**Suspension of the Sale**

The sale of the property shall be suspended upon payment of the full debt and legal expenses at any stage before the sale is approved through the auction.

**Article (36)**

**Prohibited from Purchasing and Bidding**

No person entrusted with the duty of selling any asset under this law shall be allowed to purchase the asset or bid on its purchase.

**Article (37)**

**Complaints of Procedures Related to Seizure, Sale Order, and Distribution of Funds**

Any concerned party may file a complaint before the Execution Court judge against measures related to attachment within seven days of their notification or knowledge thereof, according to the following grounds:

1- The imposition of the seizure on property that does not belong to the debtor, either wholly or partially.

2- The existence of other rights over the seized assets equal to or exceeding their value.

3- If it is legally prohibited to sell the asset.

4- The amount of the seizure exceeds the extent of seizure permissibility from bank accounts, monthly salary, revenues, payments, or expenses that are determined for the debtor.

Any concerned party may also file a complaint before the Execution Court Judge against decisions related to the sale, distribution of funds, and judicial expenses within seven days of their notification or knowledge thereof.

The complaints can be filed through authorized means, including electronic means. The Minister concerned with Justice Affairs, after the approval of the Supreme Judicial Council, shall issue a decision on the regulation of the appeal procedures.

**Article (38)**

**Appeals against the Execution Judge's Decisions**

Any concerned party may appeal against the decisions issued by the Execution Court judge mentioned in Article (37) of this Law before the High Court within seven days of their notification or knowledge thereof.

The appeal in this case is considered urgent and is filed directly with the court after paying the prescribed fees. The court shall consider it carefully unless it deems otherwise. The decision of the High Court is considered final.

**Article (39)**

**Postponement of the Execution of the Appealed Decision**

Except for the procedures of seizure, the appeal of a decision issued by the Execution Courtjudge mentioned in Article (38) of this Law entails the postponement of the execution of the appealed decision until the High Court rules on it.

**Article (40)**

**Travel Ban**

If the debtor is feared to flee the country to evade execution , and his apparent funds are not sufficient to pay his debts, then the Execution Court judge may, upon the request of the creditor, issue an order banning him from travelling for a period not exceeding three months, renewable for similar periods, up to a maximum of three times. This is to verify the absence of funds that can be executed against the debtor. In accordance with the provisions of the law, issuing a travel ban order does not preclude the execution of a deportation order issued against debtor or the authority of the administration to terminate the residency of the foreigner or order him to leave the country.

Complaints may be filed against the order or its rejection before the Execution Court judge within seven days from the date of its notification or knowledge.

Appeals may also be lodged against the Execution Court judge’s decision within seven days, and the rules set forth in Article (38) of this law apply to the appeal without lifting the travel ban, and the court's decision is final.

The travel ban is lifted automatically by law upon the expiration of any of the periods referred to in the first paragraph of this article without renewal, or upon the expiration of all these periods.

**Article (41)**

**Payment of Judicial Expenses**

Judicial expenses related to collection, preservation, reform, sale, and distribution shall be paid before any other right, and the Minister concerned with Justice Affairs, after the approval of the Supreme Judicial Council, shall order the calculation method of these expenses.

**Article (42)**

**Notation on the Debtor's Credit Record**

If the debtor's funds are insufficient to pay the debt in the execution document, the Execution Court judge shall issue an order to notate the debtor’s credit record for a period of seven years, in order to protect potential creditors in the future and to prevent an increase in the debtor's indebtedness.

The notation shall not be lifted except in the case of a settlement or upon the expiration of the period.

The Minister concerned with Justice Affairs, after the approval of the Supreme Judicial Council, shall issue a decision on the procedures for notating the debtor's credit record.

**Article (43)**

**Monitoring**

If the funds of the debtor are not sufficient to settle the debt stated in the execution document, the Execution Court judge shall instruct the Survey and Land Registration Bureau, the Central Bank of Bahrain, the General Directorate of Traffic, the Coast Guard, the Commercial Register, the Bahrain Stock Exchange Company, and the Documentation Administration to be notified immediately of any transactions related to the funds of the debtor, whether by sale, purchase, gift, exchange, or in any other form that increases or decreases their solvency.

The Minister concerned with Justice Affairs may issue a decision, after the approval of the Supreme Judicial Council, to add other entities. He may also agree with any of the entities, according to its jurisdiction, to impose direct seizure based on the Execution Court judge’s instructions referred to in the first paragraph of this article of any funds available to the debtor and to immediately notify the Execution Court judge thereof. All this shall not prejudice the criminal responsibility of the debtor if he violates the provisions of the law.

**Chapter Three**

**Execution against Companies**

**Article (44)**

**Applicability to Commercial Companies**

The provisions of this chapter apply to licensed commercial companies under the Commercial Companies Law issued by Legislative Decree No. (21) of 2001, with the exception of financial institutions licensed under the Central Bank of Bahrain Law and Financial Institutions under Law No. (64) of 2006, to which the provisions of Article (50) of this law apply.

**Article (45)**

**Stay of Execution Proceedings**

The execution proceedings shall be suspendedimmediately if it appears to the Execution Court judge that reorganization and bankruptcy proceedings have been initiated against a commercial company that is being enforced against.

**Article (46)**

**Settlement Period**

Except as provided in Article (25) of this law, commercial companies are given a period of twenty-one days from the date of filing the execution request against them to provide a settlement with the creditor.

**Article (47)**

**Effect of Settlement Period Expiration**

If the specified period for settlement referred to in Article (46) of this law expires without completing the settlement, the debtor shall, on the following day, provide a complete disclosure on the form prepared for that purpose regarding their financial status, accompanied by the documents indicating that status as of the date the lawsuit was filed that resulted in the execution or the date the execution instrument was established, and shall disclose whether they are unable to pay or their liabilities exceed their assets. In this case, the debtor shall actin accordance with the Reorganization and Bankruptcy Law within fifteen days from the day following the expiration of the settlement period and the requirement to provide disclosure.

**Article (48)**

**Company Non-Disclosure**

If the company in debt fails to disclose or fulfil the disclosure requirements set forth in Article (47) of this law or fails to take action in accordance with the Reorganization and Bankruptcy Law, the Execution Court judge, except for Article (27), shall take the execution measures provided for in the second chapter of this law against the company.

**Chapter Four**

**Execution on Financial Institutions**

**Article (49)**

**Applicability to Financial Institutions**

The provisions of this chapter apply to financial institutions licensed under the Central Bank of Bahrain Law and Financial Institutions issued under Law No. (64) of 2006.

**Article (50)**

**Referral to the Central Bank of Bahrain**

If the debtor is licensed under the law of the Central Bank of Bahrain and Financial Institutions Law No. (64) of 2006, the matter shall be referred to the Central Bank of Bahrain for the legal procedures provided for in the referred law to be taken.

The Minister concerned with Justice Affairs, in coordination with the Governor of the Central Bank of Bahrain, and after the approval of the Supreme Judicial Council, shall issue a decision specifying the categories of licensees to whom the provisions of this article apply and the procedures for implementing Article (25) of this law.

The Central Bank of Bahrain shall also issue a decision determining the execution rules and procedures that it shall follow in dealing with the licensed entities and those subject to its procedures.

**Chapter Five**

**Precautionary Seizure**

**Article (51)**

**Competence of the Urgent Matters Judge**

The Urgent Matters Judge is competent to apply the provisions of this chapter.

**Article (52)**

**Debtor Movables’ Seizure**

The creditor may place a precautionary seizure on the movable assets of the debtor in the following cases:

1- If he is the holder of a bill or a warrant and the debtor is a merchant who has signed the bill or the warrant obliging him to fulfil his obligations under the Commercial Law.

2- In any case where the creditor fears losing his right.

**Article (53)**

**Seizure of Movable Property, Fruits, and Crops**

The less or of the property is entitled to impose a precautionary seizure on the movables, fruits, and crops located on the leased property against the lessee or the sub lessee, in order to secure the due rent.

**Article (54)**

**Seizure of Movable Property in Possession of its Holder**

The owner of the movable property has the right to make a precautionary seizure on it with the person who possesses the property.

**Article (55)**

**Rules of Precautionary Seizure**

The precautionary seizure referred to in Articles (52), (53), and (54) of this law shall not be executed except to secure a verified right and in case of performance.

If the creditor does not have an execution document or a ruling of a mandatory execution, or if the amount of the debt is not determined, the seizure shall not be executed except by order of the judge, who authorizes the seizure and provisionally estimates the debt.

The order shall be requested by a substantiated motion, and in the case of the previously mentioned Article, the motion shall include a clear and detailed description of movable assets to be seized. Before issuing the order, the judge may conduct a brief investigation if the supporting documents of the request are insufficient.

Appeal against the order of the precautionary seizure may be made to the Urgent Matters Judge within seven days from the date of its notification or knowledge thereof.

If the lawsuit is already filed before the competent court, the authorization for seizure may be requested from the judge of that court who is hearing the lawsuit.

**Article (56)**

**Rules and Procedures of Precautionary Seizure**

The rules and procedures provided for in this law shall apply to precautionary seizure of movable property.

The creditor shall notify the seized property holder of the seizure within a maximum of eight days from the date of his signature along with a copy of the seizure report; otherwise, it shall be considered invalid.

Within fifteen days following the seizure, the creditor shall file a lawsuit of right before the competent court to prove the validity of the seizure; otherwise, the seizure shall be considered invalid.

If the lawsuit of right is filed before another court, a lawsuit for the seizure’s validity shall be filed before the same court for consideration of both.

**Article (57)**

**Procedures for Selling Seized Movable Property**

If the seizure is deemed valid, the procedures provided for the sale of the debtor's seized movable property shall be followed, or the movable property shall be delivered as referred to in Article (54) of this law.

**Chapter Six**

**Criminal Liability**

**Article (58)**

Concealment, smuggling, or refusal to disclose or provide false Information regarding funds.

Imprisonment for a period not exceeding two years and a fine of not less than five hundred dinars and not exceeding one hundred thousand dinars, or either of these two penalties, for any individual who commits the following:

1- Intentionally hiding or smuggling all or a part of his money or deliberately undermining its value, with the intent of avoiding execution.

2- Intentionally disclosing the existence of a fictitious creditor or deliberately exaggerating debts, with the intent of avoiding execution.

3- Contracting an agreement with a creditor granting him special benefits and causing harm to the creditor, with the knowledge of the debtor.

4- Deliberately obstructing execution procedures.

5- Submitting false or misleading data, records, or documents to the court or during the proceedings, with knowledge of their falsity.

6- Refusing to disclose his assets, or deliberately concealing from the court or the private executor any information, records or documents that he was required to provide, or intentionally preventing access to them.

**Article (59)**

**Liability of the Legal Entity**

With no prejudice to the criminal liability of the natural entity, the legal entity shall be criminally sentenced to a fine not less than two thousand dinars and not exceeding one hundred thousand dinars. This pertains if any crime specified in Article (58) of this law is committed in the legal entity’s name, account, or benefit as a result of an act, omission, approval, concealment, or serious neglect of any member of the board of directors or any other authorized official in that legal entity, or anyone who acts in such capacity.

**Article (60)**

**Direct Execution on the Party Responsible for Obstructing the Execution**

It is permissible to execute a direct judgment on the funds of anyone convicted according to Articles (58) and (59) of this law, who obstructs the execution.