



CBB REPORTING REQUIREMENTS MODULE



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MODULE	BR: CBB Reporting Requirements
CHAPTER	BR-A: Introduction

BR-A.1 Purpose

BR-A.1.1 The purpose of this Module is to set out the CBB's reporting requirements applicable to the banks as part of the CBB's on-going supervision activities.

BR-A.1.2 This Module provides support for certain other parts of the Rulebook, mainly:

- (a) Principles of Business;
- (b) Public Disclosure;
- (c) Credit Risk Management;
- (d) Operational Risk Management;
- (e) Financial Crime;
- (f) Capital Adequacy;
- (g) High-Level Controls;
- (h) Business and Market Conduct; and
- (i) Audit Firms.

BR-A.1.3 Unless otherwise stated, all reports referred to in this Module should be addressed to Banking Supervision Directorate of the CBB.

Legal Basis

BR-A.1.4 This Module contains the CBB's Directive relating to reporting requirements of the CBB and is issued under the powers available to the CBB under Article 38 of the Central Bank of Bahrain and Financial Institutions Law 2006 ('CBB Law'). The Directive in this Module is applicable to conventional bank licensees.

BR-A.1.5 For an explanation of the CBB's rule-making powers and different regulatory instruments, see Section UG-1.1.



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CHAPTER	BR-A: Introduction

BR-A.2 Key Requirements

Power to Request Information

BR-A.2.1

In accordance with Article 111 of the CBB Law, all licensed banks must provide all information that the CBB may reasonably request in order to discharge its regulatory obligations.

– Regular Reporting – Annual Requirements

BR-A.2.2

All locally incorporated banks in the Kingdom of Bahrain are required to submit to the CBB their annual audited financial statements (in compliance with the provisions set out under Section BR-1.1) no later than 3 months from the end of the bank's financial year. In addition, these banks are also required to submit supplementary information (as listed under Section BR-1.1) to the CBB.

BR-A.2.3

All Bahrain branches of foreign banks are required to submit to the CBB their annual audited financial statements (in compliance with the provisions set out under Section BR-1.2) no later than the end of 3 months from the date of such statements. In addition, these banks are also required to submit supplementary information (as listed under Section BR-1.2) to the CBB.

– Regular Reporting – Semi-annual Requirements

BR-A.2.4

All retail bank Bahrain branches of foreign banks are required to submit to the CBB their Balance Sheet and Profit and Loss Accounts (in compliance with the provisions set out under Section BR-2.1) no later than the end of 2 months from the date of such statements.

– Regular reporting – Quarterly Requirements

BR-A.2.5

All locally incorporated banks in the Kingdom of Bahrain are required to submit to the CBB the following information on a quarterly basis:

- PIR Forms and auditors reviews thereon (in accordance with the provisions set out under Section BR-3.1);
- Reviewed (unaudited) quarterly financial statements (in accordance with the provisions set out under Section BR-3.1); and
- Large exposure returns (in accordance with the provisions set out under Section BR-3.1).



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BR-A.2 Key Requirements (continued)

BR-A.2.6 All Bahrain branches of foreign banks are required to submit to the **CBB** PIRB Forms (in accordance with the provisions set out under Section BR-3.2).

BR-A.2.7 All banks licensed by the **CBB** in the Kingdom of Bahrain are required to submit to the **CBB** quarterly statistical returns as required under Section BR-3.3).

– Regular **R**eporting – Monthly **R**equirements

BR-A.2.8 All banks licensed by the **CBB** in the Kingdom of Bahrain are required to submit to the **CBB** monthly statistical returns as required under Section BR-4.1).

BR-A.2.9 All locally incorporated banks listed on the Bahrain Stock Exchange are required to report to the Capital Markets Supervision Directorate of the **CBB**, on a monthly basis, information relating to their Directors' interests in the shares of locally incorporated banks listed on the Bahrain Stock Exchange and submit exposures to connected counterparties to Banking Supervision Directorate (in accordance with the provisions set out under Section BR-4.3).

– Ad-hoc **R**eporting and **N**otification

BR-A.2.10 All banks licensed by the **CBB** in the Kingdom of Bahrain are required to notify and report to the **CBB** on the following matters in Section BR-5.1:

- (a) Large exposures;
- (b) Changes in strategy and/or corporate plan;
- (c) Changes in management;
- (d) Changes in dealing staff ;
- (e) Appointment of a Compliance Manager/Officer;
- (f) Money laundering and transfers by charitable organisations;
- (g) Promotion of financial products and services;
- (h) Authorised signatories;
- (i) Material losses through loan write-offs, fraud or other events; **and**
- (j) Material transfers of assets or liabilities.



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BR-A.2 Key Requirements (continued)

BR-A.2.11 All locally incorporated banks are required to give the **CBB** immediate written notification of any actual breach by such bank of the minimum Risk Asset Ratio(s) (RAR) in accordance with Section BR-5.2.

BR-A.2.12 All retail banks licensed by the **CBB** in the Kingdom of Bahrain are required to notify and report to the **CBB** on the introduction of new and expanded customers and products (Section BR-5.3).



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CHAPTER	BR-A:	Introduction

BR-A.3 Module History

BR-A.3.1 This Module was first issued in July 2004 by the BMA as part of the conventional principles volume. Any material changes that have subsequently been made to this Module are annotated with the calendar quarter date in which the change is made: UG-3 provides further details on Rulebook maintenance and version control.

BR-A.3.2 When the CBB replaced the BMA in September 2006, the provisions of this Module remained in force. Volume 1 was updated in October 2007 to reflect the switch to the CBB; however, new calendar quarter dates were only issued where the update necessitated changes to actual requirements.

BR-A.3.3 The most recent changes made to this Module are detailed in the table below:

– Summary of Changes

Module Ref.	Change Date	Description of Changes
BR-5.1.13	01/04/05	Notification of fraud.
BR-5.1	01/10/05	New threshold for reporting of transfers by charities and prior approval of appointment of compliance officer /manager.
BR-5.1.4	01/01/06	Addition of contact details to management information details.
BR-3.3, BR-4.1 & BR-5.1.14	01/04/06	Revised statistical returns instructions and new notification requirement for material losses.
BR-3.3 and BR-4.1	01/07/06	Submission of Form SR-6 is a monthly requirement.
BR-4.1	01/07/06	Deletion of references to precious metals and commodities returns. Transfer of reserve requirements material from BR-4.2 to BR-4.1.
BR-4.2	01/07/06	Deletion of reserve requirements material (moved to BR-4.1).
BR-4.1.3	01/07/06	Revised date for submission of statistical forms
BR-5.1.9	01/07/06	Minor changes reflecting change of Compliance Unit to Directorate
BR-A.1	10/2007	New Rule BR-A.1.4 introduced categorising this Module as a Directive.
BR-6	10/2007	New Rule allowing access to premises per the provisions of the CBB Law
BR-A.2, BR-1.1, BR-4.1, BR-5.2	04/2008	New reporting deadlines, new 7% reserves ratio, new paragraph on reporting of write-offs
BR-3.1.6	01/2009	New Agreed Upon Procedures report for PIR
BR-1.1	01/2009	Enhanced guidance on supplementary information and references to annual financial statements
BR-3.1	01/2009	Reference to consolidated and non-consolidated basis dropped as only 1 PIR form is required.
BR-4.1.4b	07/2009	The minimum daily cash reserve balance with the CBB brought back to 5% from 7%.
BR- A.2 and BR- 4.3.4	10/2009	New reporting arrangements for exposures to connected counterparties.
BR-A.2.10 and BR-5.1.16	04/2010	Approval for material transfers of assets or liabilities
BR-A.2.2	10/2010	Due date changed to 3 months to be consistent in the Rulebook.
BR-1.1.3	10/2010	Required information updated to be consistent in the Rulebook.
BR-1.2.5	10/2010	Wording changed to be consistent in the Rulebook
BR-3.1.2	10/2010	Reference to legal entity deleted.
BR-3.1.3	10/2010	Reference changed to be consistent with IAS and IFRS.
BR-3.1.4	10/2010	Wording changed to be consistent in the Rulebook.
BR-3.1.5	10/2010	Changed to Guidance.
BR-A.2.4, BR-2.1.2 and BR-3.1.8	10/2010	Due date changed to 2 months to be consistent in the Rulebook.
BR-3.2.5 and BR-5.1	10/2010	References corrected.
BR	10/2010	Minor changes to formatting and spelling to be consistent in the Rulebook.



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BR-A.3 Module History (continued)

– *Effective* **Date**

BR-A-3.4

The contents in this Module are effective from July 2004 or from the date of changes shown in BR-A.3.3.



MODULE	BR: CBB Reporting Requirements
CHAPTER	BR-1: Regular Reporting – Annual Requirements

BR-1.1 Locally Incorporated Banks

BR-1.1.1 The content of this Section is applicable to all locally incorporated banks licensed by the CBB in the Kingdom of Bahrain.

– *Annual Audited Financial Statements*

BR-1.1.2 All banks, referred to under Paragraph BR-1.1.1, are required to submit to the CBB their annual audited financial statements within 3 months of the date of such statements.

– *Supplementary Information*

BR-1.1.3 In addition to the statements required in Paragraph BR-1.1.2, banks are also required to submit to the CBB the following information within 3 months of the financial year end:

- (a) The external auditors' management letter;
- (b) The audited accounts for the bank's ultimate holding company;
- (c) Audited financial statements of all subsidiaries (whether or not consolidated) and all overseas branches (including their accounting policies where these policies differ from those of the parent bank), along with their management letters;
- (d) The bank's group structure and the Bahrain office's internal organisation chart;
- (e) A list of non-performing and rescheduled loans (including name of customer, country, amount outstanding, net interest income for the year attributed to profit & loss and the reasons for attributing interest to income);
- (f) A list of subsidiaries, associated companies and affiliates of the bank, together with details of their locations and the amount of participation by the bank in these entities;
- (g) A reconciliation statement between the audited financial statements and the relevant prudential returns and monthly statistical returns;
- (h) Report on corporate governance framework attached to year-end PIR (see Appendix BR-10 for sample report) – see OM-2.4; and
- (i) Any supplementary information required by the CBB.



MODULE	BR:	CBB Reporting Requirements
CHAPTER	BR-1:	Regular Reporting – Annual Requirements

BR-1.1 Locally Incorporated Banks (continued)

– Compliance

BR-1.1.4 In addition to the provisions of Section AU-3.7, the audited financial statements or the annual report of these banks should be in full compliance with:

- (a) The International Financial Reporting Standards (IFRS); and
- (b) The disclosure requirements set out under Sections PD-1.2 and PD-1.3.

– Annual Report

BR-1.1.5 Banks are reminded that they must submit their full printed annual report to the CBB within 4 months of the end of the financial year (See PD-1.2.6).



MODULE	BR: CBB Reporting Requirements
CHAPTER	BR-1: Regular Reporting – Annual Requirements

BR-1.2 Branches of Foreign Banks

BR-1.2.1 The content of this Section is applicable to branches (licensed by the **CBB**) of foreign banks.

– *Annual Audited Financial Statements*

BR-1.2.2 All branches, referred to under Paragraph BR-1.2.1, are required to submit to the **CBB** their annual audited financial statements of their Bahrain operations within 3 months of the date of such statements. Such accounts must be prepared in a format agreed between the branch and its external auditor.

– *Supplementary Information*

BR-1.2.3 In addition to the statements required in Paragraph BR-1.2.2, branches are also required to submit to the **CBB** the following information:

- (a) The external auditor's management letter;
- (b) A list of non-performing and rescheduled loans (including name of customer, country, amount outstanding, net interest income for the year attributed to profit & loss and the reasons for attributing interest to income);
- (c) A reconciliation statement between the audited financial statements and the relevant prudential returns and monthly statistical returns;
- (d) The head office's annual audited financial statements; and
- (e) A statement of provisions as set out in Paragraph BR-1.2.4, below.



MODULE	BR:	CBB Reporting Requirements
CHAPTER	BR-1:	Regular Reporting – Annual Requirements

BR-1.2 Branches of Foreign Banks (continued)

– Provisions against Branch Assets in Head Office Books

BR-1.2.4 If specific provisions against the assets of a branch are maintained in the books of its head office, the **CBB** should be advised on an annual basis and in writing (along with the information listed under Paragraph BR-1.2.3) of the amount of provisions set aside for the Bahrain branch's bad debts (and any other non-performing assets). For detailed guidance related to this subject, see Section CM-4.3.

– Compliance

BR-1.2.5 The annual accounts **must** be in full compliance with the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS).



MODULE	BR: CBB Reporting Requirements
CHAPTER	BR-2: Regular Reporting – Semi-annual Requirements

BR-2.1 Retail Branches of Foreign Banks

BR-2.1.1 The content of this Section is applicable only to retail branches (licensed by the CBB) of foreign banks.

– *Financial information*

BR-2.1.2 Branches (referred to under Paragraph BR-2.1.1) are required to submit to the CBB the following information (in the same format as their Annual Audited Accounts) for their Bahrain operation on a semi-annual basis (within 2 months of the date of these statements):

- (a) Balance Sheet, and
- (b) Profit and Loss Accounts.

– *Compliance*

BR-2.1.3 The statements mentioned under Paragraph BR-2.1.2 should be in compliance with the requirements set out under Section PD-2.1.



MODULE	BR: CBB Reporting Requirements
CHAPTER	BR-3: Regular Reporting – Quarterly Requirements

BR-3.1 Locally Incorporated Banks

BR-3.1.1 The content of this Section is applicable to all locally incorporated banks licensed by the CBB in the Kingdom of Bahrain.

– Prudential Information Returns

BR-3.1.2 PIR Forms – All banks, referred to under Paragraph BR-3.1.1, must complete PIR forms (see Appendix BR-5), on a quarterly basis. This form is intended to be a financial report of the bank. Banks should therefore include on it all assets and liabilities of their head office and their branches in Bahrain and abroad and subsidiaries where applicable. Separate figures in respect of the head office or ‘Bahrain operations’ are not required.

BR-3.1.3 Please refer to the relevant International Accounting and Financial Reporting Standards for definitions, accounting and consolidation requirements applicable to subsidiaries.

BR-3.1.4 The forms referred to under Paragraph BR-3.1.2 must be submitted to the CBB on a quarterly basis within 20 calendar days of the end of the reporting date.

BR-3.1.5 For guidance on completion of PIR, refer to guidelines under Appendix BR-4.

BR-3.1.6 The CBB requires all banks to request their external auditor to conduct a review of the prudential returns on a quarterly basis. The results of such review (in the form of an Agreed Upon Procedures report as shown in Appendix BR 9) should be submitted to the CBB no later than 2 months from the end of the subject quarter. A bank may apply for exemption from this requirement provided that it meets the criteria set out under Paragraph BR-3.1.7 below.



MODULE	BR: CBB Reporting Requirements
CHAPTER	BR-3: Regular Reporting – Quarterly Requirements

BR-3.1 Locally Incorporated Banks (continued)

BR-3.1.7 Banks which demonstrate to the satisfaction of the **CBB** that they have fulfilled all of the **CBB's** requirements with regard to Prudential Returns for at least two consecutive quarters may apply (in writing) to the **CBB** for an exemption from the review procedure set out in Paragraph BR-3.1.6 above.

– *Financial Information*

BR-3.1.8 All banks, referred to under Paragraph BR-3.1.1, are required to submit to the **CBB** reviewed (unaudited) quarterly financial statements (in the same format as their Annual Audited Accounts) on a quarterly basis (within **2 months** of the date of these statements).

– *Compliance*

BR-3.1.9 The statements mentioned under Paragraph BR-3.1.8 should be in compliance with the requirements set out under Section PD-3.2.

– *Large Exposures*

BR-3.1.10 All banks, referred to under Paragraph BR-3.1.1, are required to report to the **CBB** all large exposures (in accordance with the rules and guidance set out under Chapter CM-5) on a quarterly basis.

– *Overseas Branches*

BR-3.1.11 All banks, referred to under Paragraph BR-3.1.1, are required to send a brief prudential report (see Appendix BR-8) for any individual overseas branch within one month of the end of the relevant quarter.



MODULE	BR: CBB Reporting Requirements
CHAPTER	BR-3: Regular Reporting – Quarterly Requirements

BR-3.2 Branches of Foreign Banks

BR-3.2.1 The content of this Section is applicable to branches (licensed by the **CBB**) of foreign banks.

– Prudential Information Returns

BR-3.2.2 All branches, referred to under Paragraph BR-3.2.1, are required by the **CBB** to complete PIRB forms (see Appendix BR-7) in accordance with guidelines set out under Appendix BR-4.

BR-3.2.3 These should be submitted to the **CBB** no later than 20 calendar days from the end of the said quarter.

BR-3.2.4 The **CBB** requires all banks to request their external auditor to conduct a review of the prudential returns on a quarterly basis. The results of such review (in the form of a return review report) should be submitted to the **CBB** no later than **2 months** from the end of the subject quarter. A bank may apply for exemption from this requirement provided that it meets the criteria set out under Paragraph BR-3.2.5 below.

BR-3.2.5 Banks which demonstrate to the satisfaction of the **CBB** that they have fulfilled all of the **CBB's** requirements with regard to Prudential Returns for at least two consecutive quarters may apply (in writing) to the **CBB** for an exemption from the review procedure set out in **Paragraph BR-3.2.4 above.**



MODULE	BR:	CBB Reporting Requirements
CHAPTER	BR-3:	Regular Reporting – Quarterly Requirements

BR-3.3 All Licensed Banks

BR-3.3.1 The content of this Section is applicable to all banks (licensed by the CBB) in the Kingdom of Bahrain.

– Statistical Returns

BR-3.3.2 All banks, referred to under Paragraph BR-3.3.1, are required to submit the following quarterly statistical returns to the Financial Stability Directorate of the CBB:

- (a) Form SR-3 – ‘Quarterly Balance Sheet by Country and Class of Customer’;
- (b) Form SR-4 – ‘Quarterly Balance Sheet by Currency’; and
- (c) Form SR-5 – ‘Quarterly Classification of Loans and Advances to Domestic Non-banks’.

(For instructions relating to the completion of the above mentioned returns, refer to Appendix BR-1 and for returns forms refer to Appendix BR-2).

BR-3.3.3 The returns included in Appendix BR-2 should be submitted to the CBB in electronic form (Excel spreadsheet) via email (to erdsr@cbb.gov.bh) no later than the 10th of the month following the end of the relevant quarter. One printed copy should also be delivered to the Financial Stability Directorate by the same date.



MODULE	BR: CBB Reporting Requirements
CHAPTER	BR-4: Regular Reporting – Monthly Requirements

BR-4.1 All Licensed Banks

BR-4.1.1 The content of this Section is applicable to all banks (or as stated otherwise) licensed by the CBB in the Kingdom of Bahrain.

– Statistical Returns

BR-4.1.2 All banks, referred to under Paragraph BR-4.1.1, are required to submit to the CBB (Financial Stability Directorate) the following monthly statistical returns:

- (a) Form SR-1 – ‘Monthly Balance Sheet’;
- (b) Form SR-2 – ‘Monthly Classification of Deposits and Other Liabilities to Banks and Non-banks’; and
- (c) Form SR-6 – Monthly Survey of BD Interest Rates on Deposits and Loans (applicable to retail banks only).

(For instructions relating to the completion of the above mentioned returns, refer to Appendix BR-1 and for returns forms refer to Appendix BR-2).

BR-4.1.3 The returns included in Appendix BR-2 should be submitted to the CBB in electronic form (Excel spreadsheet) via email to erdsr@cbb.gov.bh no later than the 10th of the month following the end of the relevant month. One printed copy should also be delivered to the Financial Stability Directorate by the same date.

– Precious Metals and Commodities Returns

BR-4.1.4 [This Paragraph deleted with effect from 1 July 2006].

– Reserve Requirements

BR-4.1.4a The Banking Services Directorate will calculate the reserve requirement of each conventional bank licensee bank on a monthly basis using the figures reported in the monthly statistical report, Form SR-2 (see Rule BR-4.1.2 above) and will notify each bank of its required reserve (if any).

BR-4.1.4b The monthly reserve requirements will be calculated as 5% of the total of a conventional bank licensee’s BD deposits from non-banks and the BD Certificates of Deposit that it has issued to customers.

BR-4.1.4c Reserve requirements, because of their scope of coverage (cf. Rule BR-4.1.4b), generally only apply to retail banks. They may apply, however, to wholesale banks, if they undertake on-shore business (cf. Section LR-1.2).



MODULE	BR:	CBB Reporting Requirements
CHAPTER	BR-4:	Regular Reporting – Monthly Requirements

BR-4.2 Full Commercial Banks [This Section deleted 07/2006]



MODULE	BR: CBB Reporting Requirements
CHAPTER	BR-4: Regular Reporting – Monthly Requirements

BR-4.3 Locally Incorporated Banks

BR-4.3.1 The content of this Section is only applicable to locally incorporated banks.

- *Directors' Interests in the Shares of Locally Incorporated Banks Listed on the Bahrain Stock Exchange*

BR-4.3.2 All locally incorporated banks listed on the Bahrain Stock Exchange are required to report to the Capital Markets Supervision Directorate of the **CBB** the following information, on a monthly basis, relating to their Directors:

- (a) The number and type of interests of each Director in the shares (i.e. whether by shareholding, options etc.) of all such banks in which the respective Directors have interests in and the rights associated with such interests;
- (b) The date on which, and manner in which, such interests were acquired or disposed of (as the case may be);
- (c) The acquisition price paid, or disposal price received, for such interests; and
- (d) The person(s) from, or to, whom the interests in such shares were acquired or disposed (as the case may be).

BR-4.3.3 The information required in Paragraph BR-4.3.2 above should be submitted to the **CBB** no later than 15 days following the end of the relevant month.

- *Exposures to Connected Counterparties*

BR-4.3.4 All banks, referred to under Paragraph BR-4.3.1, are required to submit to the **CBB** their exposures to connected parties on a monthly basis on the fourth working day of the month.

(For instructions relating to the reporting of the above mentioned exposures, refer to Appendix BR-12 and for the concerned reporting forms refer to Appendix BR-11).



MODULE	BR: CBB Reporting Requirements
CHAPTER	BR-5: Ad-hoc Reporting and Notification

BR-5.1 All Licensed Banks

BR-5.1.1 The content of this Section is applicable to all banks (licensed by the CBB) in the Kingdom of Bahrain.

– Large Exposures

BR-5.1.2 Should any bank find that, for reasons outside its control or otherwise, it has an exposure to an individual counterparty (other than an exempt exposure) which results in it exceeding any of the limits set out under Chapter CM-5, this should be reported immediately to the CBB for its consideration, and action should be taken immediately to bring the exposure back within applicable limits as soon as possible.

– Changes in Strategy and Establishment of Subsidiaries/SPVs

BR-5.1.3 All banks should notify the CBB, in writing, of all major changes (regardless of type and/or effect) including the establishment of branches, subsidiaries, SPVs and cross-border presences (see Section PCD-4.1 for full text) to strategy or corporate plan prior to implementation.

– Current Management and Changes thereto

BR-5.1.4 All banks should, on a continuous basis, keep the CBB informed, in writing, of the senior management positions held by relevant persons (including General Managers, Deputy General Managers and other senior persons). Such notification should include the following information:

- Full Name (and CPR for Bahrain resident management);
- Contact details including address and emergency phone no;
- Date of birth;
- Place of birth (including town etc.);
- Nationality;
- Professional qualifications (by educational establishment and dates); and
- Career details over the last ten years (with your institution or elsewhere).



MODULE	BR: CBB Reporting Requirements
CHAPTER	BR-5: Ad-hoc Reporting and Notification

BR-5.1 All Licensed Banks (continued)

BR-5.1.5 The CBB should also be notified of any changes to the positions mentioned under Paragraph BR-5.1.4 that may occur from time to time subject to observing the requirements set out in Section LR-1A.1.

BR-5.1.6 For detailed rules and guidance on prior notification of appointment and changes in management inventory, refer to Chapters HC-1 and LR-1A.

Changes in Dealing Staff

BR-5.1.7 All banks should notify the CBB of the following events, within 21 days of their occurrence:

- (a) The appointment of a dealer, including promotion to Head of a Dealing function. The information provided should include details as set out under Section LR-1A.1; and
- (b) The resignation, suspension, dismissal or departure from your institution for whatever reason of a dealer (including his/her transfer to other duties within your institution). The information provided should include details as set out under Section LR-1A.1.

– Appointment of a Compliance Manager/Officer

BR-5.1.8 The appointment of a compliance manager/officer requires the CBB's prior approval (refer to Section LR-1A.1 for full details). The bank should also outline how the compliance function fits into the bank's senior management reporting structure, and should give details of relevant reporting lines within the bank.

– Money Laundering and Suspicious Transactions

BR-5.1.9 The Money Laundering Reporting Officer (or his/her duly authorised delegate) must send a report to the Compliance Directorate of the CBB where he/she knows or has suspicions that a transaction might involve money laundering or terrorist financing, either due to the customer's economic standing or because it meets one of the examples of suspicious transactions described in Appendix FC-3.



MODULE	BR: CBB Reporting Requirements
CHAPTER	BR-5: Ad-hoc Reporting and Notification

BR-5.1 All Licensed Banks (continued)

Promotion of Financial Products and Services Offered in/from Bahrain by Mean of Incentives etc.

BR-5.1.10 The CBB should be sent copies of documentation relating to promotional schemes at least ten days prior to their launch for information purposes. Refer to Chapter BC-1 for more details.

– *Authorised Signatories*

BR-5.1.11 In order to maintain an up-to-date record of authorised signatories of respective banks, the CBB requires all banks to submit to it a list of specimen signatures (and changes to it from time to time) of the officials authorised to sign on behalf of the concerned bank.

– *UN SCR 1373 (2001)*

BR-5.1.12 The CBB requires all banks to notify it immediately of any act that might contravene the provisions of UN Security Council Resolution 1373 (2001). Banks should refer to Chapter FC-8 for full details of this requirement.

– *Notification of Fraud or other Material Concerns*

BR-5.1.13 All banks must report immediately to the CBB any frauds, either attempted or realised, or any well-founded concerns about the integrity of individual Directors or members of management. This obligation to disclose extends to individual Board members and members of management: i.e. if a Director or member of management has reasonable grounds to believe that information that should have been reported to the CBB has not, then they have a duty to report the matter personally to the CBB. All such cases shall be treated in the strictest confidence by the CBB.

BR-5.1.14 All banks must report immediately to the CBB any material losses as soon as the bank becomes aware of them. This notification requirement is separate from notifications for loan write-offs (see BR-5.2.3) or frauds (see above), but refers to losses caused by external events (e.g. falls in stock markets) or internal control failures. In this context ‘material’ would mean: a loss which exceeds 5% of net earnings in a given quarter; or a loss which reduces the bank’s capital adequacy by more than 1%; or a loss which reduces total assets by more than 1%.



MODULE	BR: CBB Reporting Requirements
CHAPTER	BR-5: Ad-hoc Reporting and Notification

BR-5.1 All Licensed Banks (continued)

Accounts for Charity Organisations

BR-5.1.15

All banks, referred to under Paragraph BR-5.1.1, should notify the CBB of any transfer of funds amounting to BD 3,000 or above (or equivalent in other currencies) from accounts held by the bank for charitable organisations registered in the Kingdom of Bahrain (also see Section FC-1.6). Such notification should include details of amount transferred, account name and number, and beneficiary (name and location).

– Material Transfers of Assets or Liabilities

BR-5.1.16

All banks (or Bahrain-based branches of foreign banks) must seek prior written approval from the CBB before transferring assets or liabilities of a material nature to a third party, except where such transfers are effected within the normal scope of the bank's operations (see GR 4.1). In this context 'material' would mean: an amount which exceeds 5% of total assets or liabilities of the bank or branch concerned.



MODULE	BR: CBB Reporting Requirements
CHAPTER	BR-5: Ad-hoc Reporting and Notification

BR-5.2 Locally Incorporated Banks

BR-5.2.1 The content of this Section is applicable to all locally incorporated banks licensed by the CBB in the Kingdom of Bahrain.

– Capital Adequacy

BR-5.2.2 All banks, referred to under Paragraph BR-5.2.1, must give the CBB immediate written notification of any actual breach by such banks of the minimum Risk Asset Ratio(s) (RAR) in accordance with Section CA-A.3. Where such notification is given, the bank must also adhere to the additional notification and reporting requirements as set out under Section CA-A.3.

– Write-offs

BR-5.2.3 All banks must notify the CBB of any write-off of a credit facility in excess of BD 100,000 (or equivalent in other currencies) and must obtain the CBB's prior approval for write-offs concerning certain parties connected to the concerned bank or other entities (see Section CM-7.1 for full details).



MODULE	BR:	CBB Reporting Requirements
CHAPTER	BR-5:	Ad-hoc Reporting and Notification

BR-5.3 Retail Banks

BR-5.3.1 The content of this Section is only applicable to retail banks licensed by the CBB in the Kingdom of Bahrain.

– *Introduction of New or Expanded Customer Products and Facilities*

BR-5.3.2 All banks, referred to under Paragraph BR-5.3.1, should notify the CBB of information relating to any new or expanded customer products and facilities in accordance with the requirements set out under Section BC-4.7.



MODULE	BR:	CBB Reporting Requirements
CHAPTER	BR-6:	Access to Premises

BR-6.1 Access to Premises

BR-6.1.1

In accordance with Article 114 of the CBB Law, all licensed banks must permit representatives of the CBB, or persons appointed for the purpose by the CBB to have access, with or without notice, during reasonable business hours to any of its business premises in relation to the discharge of the CBB's functions under the relevant law.