



EDBS/KH/0788/2009
22 June 2009

Chief Executive Office/General Manager
All Conventional Bank Licensees
Manama
Kingdom of Bahrain

Dear Sir,

CBB Rulebook: Volume 1 – July 2009 Quarterly Update

The latest quarterly update to Volume 1 has now been incorporated in the website version of the Rulebook.¹ At present, only the PDF files have been fully updated. The HTML versions are gradually coming online.

Recipients should update their hard copy folders through accessing the CBB website and print off the relevant pages for insertion into their folder. This cover letter highlights the main changes introduced this quarter. The table attached to this letter lists which pages to print off.

Module Contents Pages

As usual, the Table of Contents pages for each Module contained in Part A of Volume 1 have been updated. They now show their current issue date at the bottom right hand corner of the page: i.e. July 2009. The revised Modules are effective from the date of this letter.

Contents pages also show the current issue date for every section of a Module. Where a section has been modified as part of this update, then its issue date will also have been changed to July 2009. These contents pages therefore act as a summary checklist for Rulebook users.

¹ Volume 1 can be accessed, as usual, from www.cbb.gov.bh
(Home > Regulatory Functions > Laws & Regulations > CBB Rulebook > Volume 1

Module BC

The numerical restrictions related to margin trading requirement have been removed (i.e. the financing limits of BD100K per Bank and BD250K for all participating Banks).

Module FC

New authorisation requirements in respect of transfers of funds to and from foreign countries by charities and similar organisations have been introduced.

Module LR

The minimum daily cash reserve balance with the CBB has been lowered back to 5% from 7%. Please note that there is also a small change in module BR as a result of this change.

Part B

There is a new Guideline for PIR for Overseas Conventional Banks.

Further information

Should you have any queries regarding these updates, you may contact the CBB Rulebook team (at rulebook@cbb.gov.bh), or else please speak to your normal supervisory contact.

Yours faithfully,

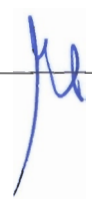


Khalid Hamad

Enc.

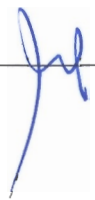
CBB Rulebook: Volume 1 – July 2009 Quarterly Update
Part A

Module Code	Summary of Changes and Printing Instructions
UG	There are no changes to this Module. Print off ToC.
LR	Lower reserve requirement of 5%. Print off ToC, LR-A.2, and LR-2.5.10.
PB	There are no changes to this Module. Print off ToC.
HC	There are no changes to this Module. Print off ToC.
AU	There are no changes to this Module. Print off ToC.
GR	There are no changes to this Module. Print off ToC.
CA	There are no changes to this Module. Print off ToC.
BC	Removal of numerical restrictions related to margin trading. Print off ToC, BC-A.3, BC-7.2.
CM	There are no changes to this Module. Print off ToC.



CBB Rulebook: Volume 1 – July 2009 Quarterly Update
Part A

Module Code	Summary of Changes and Printing Instructions
OM	There are no changes to this Module. Print off ToC.
FC	New authorization requirements in respect of transfers of funds to and from foreign countries on behalf of charities. Print off ToC, FC-A.2, FC- 1.6.5 & FC-1.6.6.
BR	Lower reserve requirement of 5%. Print off ToC, BR-A.3, and BR-4.1.4b.
PD	There are no changes to this Module. Print off ToC.
EN	There are no changes to this Module. Print off ToC.
CP	There are no changes to this Module. Print off ToC.
PCD	There are no changes to this Module. Print off ToC.



CBB Rulebook: Volume 1 – July 2009 Quarterly Update
Part B

Module Code	Summary of Changes and Printing Instructions
BR	New PIR Guidelines for Overseas conventional Banks. Print off new Appendix BR 3.