



EDBS/KH/0322/2011
19th July 2011

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

Dear Sir,

CBB Rulebook: Volume 2 – July 2011 Quarterly Update

The latest quarterly update to Volume 2 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 from the PDF files 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 2 have been updated. They now show their current issue date at the bottom right hand corner of the page: i.e. July 2011. The revised Modules are effective from the date of this letter, except as otherwise specified in the Module itself.

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 2011. These contents pages therefore act as a summary checklist for Rulebook users.

¹ Volume 2 can be accessed from www.cbb.gov.bh : from the Home page, select 'CBB Rulebooks' and then 'Volume 2'

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 2 – July 2011 Quarterly Update
Part A

Module Code	Summary of Changes and Printing Instructions
UG	Print off ToC.
LR	LR-2.8.1: Corrected due date of audited financial statements to be in line with Article 62 of the CBB Law and Module BR requirements. Print off ToC, Sections LR-A.2 and LR-2.8.
PB	Print off ToC.
HC	Print off ToC.
AU	Print off ToC.
GR	GR-4.1: Section deleted as Regulation dealing with Asset/Liability transfers is under consultation. Print off ToC, Sections GR-A.2 and GR-4.1.
CA	Print off ToC.
BC	Print off ToC.
CM	Amendments made to clarify rules, replacing “should” with “must”. CM-4.4.10: Amended the definition of connected counterparties. Print off ToC, Sections CM-A.2, CM-A.3, CM-3.4, CM-4.2, CM-4.4, CM-4.6, CM-4.7, CM-4.8, CM-5.1, CM-6.1, CM-7.4, CM-7.5 and CM-8.1.
OM	Amendments made to clarify rules, replacing “should” with “must”. OM-2.4: Amended CBB reporting requirements regarding succession planning. OM-3.1.7: Paragraph deleted as no longer applicable since standard conditions and licensing criteria document has now been incorporated as part of Volume 1. Print off ToC, Sections OM-A.3, OM-2.2, OM-2.4, OM-3.1, OM-3.4 to 3.6, OM-5.3 to 5.9, OM-6.1 and OM-8.2.
LM	Print off ToC.
FC	Print off ToC.
PCD	Print off ToC.

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Part A

Module Code	Summary of Changes and Printing Instructions
BR	BR-A.2.6, BR-3.2 and BR-4.1: Deleted BR-A.2.6 and BR-3.2 and clarified BR-4.1 as all statistical returns must be filed monthly. BR-1.1.4 (i): Deleted incorrect cross reference. BR-3.1A.2: Corrected reference for quarterly reporting by branches of foreign banks. BR-5.1.16: Regulation under consultation. BR-5.1.17: Added additional notification requirements. Print off ToC, Sections BR-A.2, BR-1.1, BR-3.2, BR-4.1 and BR-5.1.
PD	Print off ToC.
EN	EN-6.2A.7(a): Clarified due date when a weekend is involved. Print off ToC, Sections EN-A.2 and EN-6.2A.
CP	Print off ToC.

Part B

Module Code	Summary of Changes	
CBB Reporting Forms		
Appendix BR-2	Statistical Return	Clarified that SR-3, SR-4 and SR-5 are to be filed monthly.
Supplementary Information		
Appendix CA-8	Bahrain sovereign and public sector entities eligible for zero risk weighting	Added Royal Court to list of zero risk weighted entities.
Appendix BR-4	Guidelines for Completion of PIR for Locally Incorporated Banks	Added Royal Court to list of zero risk weighted entities.