



EDBS/KH/C/73/2018
22nd November 2018

All Retail banks
All Financing companies
Manama
Kingdom of Bahrain

Dear Sir,

Credit Card Rounding off Transactions

It has come to the CBB's attention that certain credit cards issuing licensees, while billing transactions in BD, round off transaction amount in Fils to the next higher amount. Consequently, the customers end up paying more than the actual amount spent on a single transaction.

With the objective of ensuring that the credit card holders are not overcharged, the CBB is issuing new requirements under Module BC for Volumes 1, 2 and 5 (financing companies) to stop such practice as shown below:

BC-4.14.1

Retail bank licensees must, when billing their customers, reflect the credit card transactions without rounding off the amounts in Fils. Retail bank licensees must collaborate with acquirers and Visa/MasterCard network schemes to ensure that there is no rounding off in any transaction irrespective of the currency of the transaction.

The new requirements are effective immediately and will be included as part of the January 2019 quarterly CBB Rulebook update for Volumes 1, 2 and 5 (financing companies).

Yours faithfully,


Khalid Hamad

cc: Bahrain Association of Banks