



EDBS/KH/C/40/2019  
23<sup>rd</sup> May 2019

**Chief Executive Officer**  
All Retail Banks  
Manama  
Kingdom of Bahrain

Dear Sir,

**Account Opening, Acceptance and Deposit of funds – Clubs and Youth Centres**

The CBB is proposing amendments to the Financial Crime Module (Module FC) under CBB Rulebook Volumes 1 and 2 with regards to Section FC-1.6 Enhanced Due Diligence: Charities, Clubs and Other Societies, as follows:

FC-1.6.1A

For the purpose of Paragraph FC-1.6.1, for clubs and societies registered with the **General Organisation for Youth and Sports (GOYS) Ministry of Youth and Sport Affairs**, retail bank licensees must contact **GOYS the Ministry** to clarify whether the account may be opened in accordance with the rules of **the Ministry GOYS**. In addition, in the case of sport associations registered with the Bahrain Olympic Committee (BOC), **banks** must contact **BOC** to clarify whether the account may be opened in accordance with the rules of **BOC**.

FC-1.6.2

**Banks** are reminded that clubs and societies registered with **GOYS the Ministry of Youth and Sport Affairs** may only have one account with banks in Bahrain.

FC-1.6.2A

Pursuant to Article (20) of the Consolidated Financial Regulations for Sports Clubs issued in 2005, **retail bank licensees** must not change or open additional bank accounts for Clubs and Youth Centres without obtaining the prior approval of the Ministry of Youth and Sport Affairs.

FC-1.6.5

Article 20 of Decree Law No. 21 of 1989 (issuing the Law of Social and Cultural Societies and Clubs and Private Organizations Operating in the Area of Youth and Sport and Private Institutions) provides that **banks may** must not accept or process any incoming or outgoing **wire fund** transfers in any form (wire transfer, cheques, etc.) from or to any foreign **person or foreign association country** on behalf of charity and non-profit organisations, **societies and clubs** licensed by the **Ministry of Labour and Social Development** or the Ministry of Youth and Sport Affairs without the prior approval of the relevant Ministry. **until an official letter by the Ministry**

authorising the receipt or remittance of the funds has been obtained by the concerned bank.

The amendments above are effective immediately and will be incorporated in Module FC of the CBB Rulebook Volumes 1 and 2 in the next quarterly Rulebook update due in July 2019.

Yours faithfully,



**Khalid Hamad**

cc: Bahrain Association of Banks