



EDBS/KH/0282/2011
11th May 2011

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

Dear Sir,

CBB Rulebook: Volume 1 – April 2011 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 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 1 have been updated. They now show their current issue date at the bottom right hand corner of the page: i.e. April 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 April 2011. These contents pages therefore act as a summary checklist for Rulebook users.

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

Payment of Annual License Fees

All licensees are reminded that they must comply with the requirements of Section LR-4.2. The due date for the 2011 annual license fees is 30th April 2011. When submitting their payment, licensees should complete the Form ALF, included under Volume 1 (Conventional banks)/Part B/Reporting Forms available on the CBB Website which provides detailed instructions on how the payment of fees must be made.

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 – April 2011 Quarterly Update
Part A

Module Code	Summary of Changes and Printing Instructions
UG	UG-A.1.2: Updated to reflect issue date of Volumes 5 and 6. Print off ToC and Section UG-A.1.
LR	LR-A.1.4: Corrected issue date. LR-3.1.3: Clarified the appointment of a representative as part of the licensing process. LR-3.1.5(I): Deleted reference to Phase 1. LR-4.2.9A: Clarified the payment of annual license fees for SPVs. Print off ToC, Sections LR-A.1, LR-3.1 and LR-4.2.
PB	Print off ToC.
HC	Appendix A: Clarified membership of audit committee to be in line with Rule HC-3.2.1. Print off ToC and Appendix A.
AU	AU-3.3.2: Added cross reference to Module FC and clarified due date of report. AU-3.5.1: Corrected name of return. Print off ToC, Sections AU-3.3 AU-3.5.
GR	GR-3.1.1: Clarified Rule pertaining to announcement of dividend. GR-4.1.2: Clarified Guidance and deleted reference to outsourcing and winding up proceedings. Print off ToC, Sections GR-3.1 and GR-4.1.
CA	Print off ToC.
BC	Minor amendments to correct typos. BC-1.1.11: Clarified retention period of records for promotional schemes. BC-3.1.1 and BC-4.3.1: Minor amendments to clarify Rules. Print off ToC, Sections BC-1.1 BC-3.1 and BC-4.3.

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CBB Rulebook: Volume 1 – April 2011 Quarterly Update
Part A

Module Code	Summary of Changes and Printing Instructions
CM	<p>CM-A.1.1: Corrected typo.</p> <p>CM-A.2.4: Corrected cross reference in line with new limits introduced in January 2011.</p> <p>CM-5.3.1(c), CM-5.6.1: Corrected cross reference.</p> <p>Print off ToC, Sections CM-A.1, CM-A.2, CM-5.3 and CM-5.6.</p>
OM	<p>OM-7.1.4: This Paragraph was deleted as Ministerial Order 23 does not apply to CBB licensees.</p> <p>OM-7.3.4: Clarified retention period of records for promotional schemes.</p> <p>Print off ToC, Sections OM-7.1 and OM-7.3.</p>
FC	Print off ToC.
PCD	Print off ToC.
BR	<p>BR-A.2.4: Corrected order of wording.</p> <p>BR-1.1.9: Added report on controllers as required under Paragraph GR-5.1.9.</p> <p>BR-1.2.3 and BR-3.1.10: Clarified due date.</p> <p>BR-4.3.2: Corrected reference to licensed exchange.</p> <p>BR-5.1.1, BR-5.1.2 and BR-5.1.3: Clarified to whom Rules apply.</p> <p>BR-5.1.7: Clarified due date for notification.</p> <p>BR-5.1.10: Clarified reference to calendar days.</p> <p>Print off ToC, Sections BR-A.2, BR-1.1, BR-1.2, BR-3.1, BR-4.3 and BR-5.1.</p>
PD	<p>PD-A.4.3: Corrected cross reference.</p> <p>PD-1.1.1: Corrected reference to the Rulebook of the licensed exchange.</p> <p>PD-1.2, PD-2.1.4, PD-2.1.5, PD-3.1.4, PD-3.1.5 and PD-5.1.1: Clarified requirements for due date.</p> <p>Print off T of C, Sections PD-A.4, PD-1.1, PD-1.2, PD-2.1, PD-3.1 and PD-5.1.</p>
EN	<p>EN-6.2A.7: Clarified guidance on payment of annual fees.</p> <p>Print off ToC and Section EN-6.2A.</p>
CP	Print off ToC.

**CBB Rulebook (Volume 1) – April 2011 Update
Part B**

Module Code		Summary of Changes
Glossary		Amended definition of executive director.
Authorisation Forms		
Form 1	Application for a License	Consolidated Phase 1 and Phase 2 into one Form 1.
Form 2	Application for Authorisation of Controller	Clarified in the instructions that the controller for an overseas conventional bank applicant is the parent bank.
Form 3	Application for Approved Person Status	Corrected cross reference to Rulebook in instructions.
Reporting Forms		
ALF	Annual License Fee	Amended to reflect financial penalties for late payment of annual license fees.

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