



EDBS/KH/C/31/2015  
17<sup>th</sup> August 2015

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

Dear Sir,

**CBB Rulebook: Volume 1 – July 2015 Quarterly Update**

The latest quarterly update to Volume 1 has now been incorporated in the website version of the Rulebook.<sup>1</sup>

**Changes for July 2015**

The changes for July 2015 are listed in the attached table.

The major change introduced with this update is Module PD and related appendices pertaining to the new capital disclosures required by Basel III. These were released previously to Bahraini conventional bank licensees and are effective for the 30<sup>th</sup> June 2015 reporting requirements.

Banks must ensure that all relevant staff are informed of the latest amendments and that where needed, appropriate action, including familiarisation/awareness programs for staff, is taken to ensure full compliance. Banks which are not in full compliance must notify the CBB with immediate effect.

**Further information**

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

Yours faithfully,

  
**Khalid Hamad**

Enc.

<sup>1</sup> Volume 1 can be accessed from [www.cbb.gov.bh](http://www.cbb.gov.bh) : from the Home page, select 'CBB Rulebooks' and then 'Volume 1'

**CBB Rulebook: Volume 1 – July 2015 Quarterly Update**

**Part A**

<b>Module Code</b>	<b>Summary of Changes and Printing Instructions</b>
UG	<b>Print off ToC.</b>
LR	<b>Print off ToC.</b>
PB	<b>Print off ToC.</b>
HC	HC-5.4.3A: Amended to allow for CBB-approved consultancy firm to prepare report on the bank's compliance with the remuneration Rules outlined in Chapter HC-5. <b>Print off ToC, Sections HC-A.2 and HC-5.4.</b>
AU	AU-3.6.1: Amended to allow for CBB-approved consultancy firm to prepare report on the bank's compliance with the remuneration Rules outlined in Chapter HC-5. <b>Print off ToC, Sections AU-A.2 and AU-3.6.</b>
GR	<b>Print off ToC.</b>
CA	CA-B.2.1(d): Amendment made to clarify that during the transition period, the remainder not deducted from capital is subject to the risk weights outlined in the October 2014 version of Chapter CA-3. CA-2.4.25 and CA-2.4.26: Amendment made to reflect the treatment of the risk weighting for exposures below the threshold limits <b>Print off ToC, Sections CA-A.2, CA-B.2 and CA-2.4.</b>
BC	<b>Print off ToC.</b>
CM	CM-5.7.1, CM-5.7.1A and CM-5.7.1B: Clarified the reporting requirements of exposures. <b>Print off ToC, Sections CM-A.3 and CM-5.7.</b>
OM	<b>Print off ToC.</b>
FC	<b>Print off ToC.</b>
TC	<b>Print off ToC.</b>
BR	BR-4A.3: Amended Section to allow for CBB-approved consultancy firm to prepare report on the bank's compliance with the remuneration Rules outlined in Chapter HC-5. <b>Print off ToC, Sections BR-A.3 and BR-4A.3.</b>

**CBB Rulebook: Volume 1 – July 2015 Quarterly Update**

**Part A**

<b>Module Code</b>	<b>Summary of Changes and Printing Instructions</b>
PD	PD-A.2, PD-B.1, PD-1.1, PD-1.2, PD-1.3, PD-1.4, PD-3.1, PD-4.2 and PD-4.3: New disclosures required by Basel III and alignment related changes for Deposit and URIA Protection scheme and disclosures relating to approved persons. <b>Print off ToC, Sections PD-A.2, PD-B.1, PD-1.1, PD-1.2, PD-1.3, PD-1.4, PD-3.1, PD-4.2 and PD-4.3.</b>
EN	<b>Print off ToC.</b>
CP	<b>Print off ToC.</b>

**Part B**

<b>Module Code</b>	<b>Summary of Changes</b>	
<b>Authorisation Forms</b>		
Form 3	Application for Approved Person Status	Clarified to whom application is to be addressed when dealing with an application for MLRO or DMLRO.
<b>Supplementary Information</b>		
Appendix HC-(i)	Agreed-upon Procedures re Compliance with HC-5 (Remuneration)	Amended to allow for CBB approved consultancy to complete this report.
Appendix CA-21	Investments in Commercial Entities	Example updated to reflect impact of pro rata risk weighting on exposures below the 800% risk requirement threshold
Appendices PD-1 to PD-4	Composition of Capital Disclosure Requirements	Newly issued appendices, issued originally on May 20 , 2015

*pl*