



EDBS/KH/215/2013

21<sup>st</sup> November 2013

**Chief Executive Office/General Manager**

All Conventional Bank Licensees

Manama

Kingdom of Bahrain

Dear Sir,

**CBB Rulebook: Volume 1 – October 2013 Quarterly Update**

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

**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**

The Table of Contents pages for each Module contained in Part A of Volume 1 has been updated. Each Table of Contents page now shows the current issue date at the bottom right hand corner of the page: i.e. October 2013. 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 October 2013. These contents pages therefore act as a summary checklist for Rulebook users.

<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'

### **Changes for October 2013**

The changes for October 2013 are listed in the attached table.

### **New Module TC (Training and Competency)**

Part of the changes for this update include new Module TC, reflecting the consultation results which took place earlier this year.

### **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.

**CBB Rulebook: Volume 1 – October 2013 Quarterly Update**

**Part A**

<b>Module Code</b>	<b>Summary of Changes and Printing Instructions</b>
UG	<b>Print off ToC.</b>
LR	LR-1A.1: Aligned controlled functions with Module TC. LR-4.2.9A: Clarified annual license fees for newly established SPVs. <b>Print off ToC, Sections LR-A.2, LR-1A and LR-4.2.</b>
PB	<b>Print off ToC.</b>
HC	<b>Print off ToC.</b>
AU	<b>Print off ToC.</b>
GR	<b>Print off ToC.</b>
CA	CA-2.1.5(h): Added Rule to include limited general provision against unidentified future losses as part of Tier 2. CA-11.3.7: Clarified Rules for excluding positions of a structural nature from the calculation of the net open currency positions. <b>Print off ToC, Sections CA-A.5, CA-2.1 and CA-11.3.</b>
BC	BC-4.2.15: Corrected cross reference. BC-5.3: Updated penalty charges on dishonoured cheques. <b>Print off ToC, Sections BC-A.3, BC-4.2 and BC-5.3.</b>
CM	CM-1.2.4: Amended to reflect the expanded scope of activities of the Credit Reference Bureau and the membership requirements. CM-8.4.4: Updated reference to Eskin Bank to reflect new name. <b>Print off ToC, Sections CM-A.3, CM-1.2 and CM-8.4.</b>
OM	OM-6.2.1: Amended Rule to apply to all banks. <b>Print off ToC, Sections OM-A.3 and OM-6.2.</b>
FC	FC-1.1.10 to FC-1.1.16 and FC-1.3.4: Amended and updated due diligence requirements, including requirements in dealing with non-resident accounts. <b>Print off ToC, Sections FC-A.2, FC-1.1 and FC-1.3.</b>
PCD	<b>Print off ToC.</b>
TC	New Module issued. <b>Print off complete Module.</b>
BR	<b>Print off ToC.</b>
PD	<b>Print off ToC.</b>
EN	EN-6.2A.2(c): Corrected cross reference. <b>Print off ToC, Sections EN-A.2 and EN-6.2A.</b>

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**Part A**

<b>Module Code</b>	<b>Summary of Changes and Printing Instructions</b>
EN	EN-6.2A.2(c): Corrected cross reference. <b>Print off ToC, Sections EN-A.2 and EN-6.2A.</b>
CP	<b>Print off ToC.</b>

**Part B**

<b>Module Code</b>	<b>Summary of Changes</b>	
<b>Glossary</b>		
Updated definition of controller in line with Paragraph GR-5.2.1		
<b>CBB Reporting Forms</b>		
Appendix BR 5	Returns - PIR	Amended to accommodate additional Tier 2 element.
<b>CBB Authorisation Forms</b>		
Form 3	Application for Approved Person Status	Updated as per amended controlled functions in Section LR-1A.1
<b>Supplementary Information</b>		
Appendix CM 3	Credit Reference Bureau Code of Practice	Updated Code of Practice
Appendix CA 18	Bahrain sovereign and public sector entities eligible for zero risk weighting	Updated names included on list
Appendix BR 4	Guidelines for Completion of the Prudential Information Returns	Correction made to cross references and update of names.