

EDFIS/C/030/2011
31st October 2011

The Compliance Officer
All Insurance Licensees
Manama
Kingdom of Bahrain

Dear Sir,

CBB Rulebook: Volume 3 (Insurance) – October 2011 Update

The October 2011 quarterly update to Volume 3 has now been incorporated in the website version of the Rulebook.¹

This letter highlights changes introduced this quarter. Licensees are required to note any policy changes. In addition, recipients who wish to update their hard copy folders should access the Central Bank of Bahrain ('CBB') website and print off the relevant pages for insertion into their folder.

All changes are highlighted in colour in the PDF versions of the Modules included on the CBB's website. All changes to the text of the previous version of Volume 3, however minor, are highlighted. The searchable version of the Rulebook, in addition, allows users to list changes and compare different versions of the Rulebook.

Part A Modules

Contents Pages and Module History

The contents page for each Module shows the date each section was last changed and provides a good reference tool to keep track of the latest updates along with the Module History.

Changes for October 2011

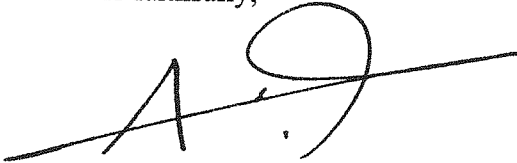
The changes for October 2011 are listed in the attached table and include amongst others the results of the consultation undertaken on the requirements for customer complaints handling procedures.

¹ Volume 3 can be accessed from www.cbb.gov.bh : from the Home page, select 'CBB Rulebook', Volume 3.

Further Information

Should you have any queries regarding these updates, you may contact the CBB Rulebook team at (rulebook@cbb.gov.bh), or the Director of Insurance Supervision on 17547302.

Yours faithfully,



Abdul Rahman Al Baker

Enclosure: Volume 3 Update Table.

CBB Rulebook (Volume Three) – October 2011 Update

PART A FOLDER		
Module Code	Module Title	Summary of Changes and Printing Instructions
All Modules	N/A	Print off the Table of Contents page for each Module and the Module History Section when changes have been made.
AU	Authorisation	<p>AU-A.1.10: Guidance Paragraph amended as Volume 5_Representative Offices was issued in December 2010.</p> <p>AU-A.1.13: Legal basis updated to reflect all Articles of the CBB Law covered by this Module as well as applicable Resolutions.</p> <p>AU-5.1.13: Clarified CBB's requirements for items that must be in place within 6 months of a new license being issued to be in line with other Volumes of the Rulebook.</p> <p>AU-5.5: Clarified language on cancellation of a license to be in line with other Volumes of the CBB Rulebook.</p>
GR	General Requirements	<p>GR-5.3: Amended to be in line with other Volumes of the CBB Rulebook and to reflect the issuance of Resolution No.(43) of 2011.</p> <p>GR-8.1: Clarified language on cessation of business to be in line with other Volumes of the CBB Rulebook.</p>
BC	Business Conduct	BC-2.11 and BC-4: Replaced Complaints Section BC-2.11 with new Chapter BC-4 Customer Complaints Procedures.
FC	Financial Crime	<p>FC-3.1.9: Clarified requirements for MLRO.</p> <p>FC-3.3: Amended Section to allow for CBB-approved consultancy firm to do required sample testing and report under Paragraph FC-3.3.1.</p>
BR	CBB Reporting	<p>BR-1.5.3: Added requirement for submission of complaint handling procedures report.</p> <p>BR-3.4.1: Corrected cross reference</p> <p>BR-3.5: Added new Section on the Role of the Appointed Expert (Material transferred from EN-2).</p>
EN	Enforcement	EN-2: Chapter has been streamlined and repetitive information has been eliminated and reference is now made to Section BR-3.5.

CBB Rulebook (Volume Three) – October 2011 Update (continued)

PART B FOLDER		
Module Code	Module Code	Module Code
Glossary of Defined Terms		
Added the definition of conflict of interest, trilateral meeting. Clarified definition of independent director.		
CBB Authorisation Forms		
Form 1	Application for a License	Amended Sections I and III to reflect legal status requirements for insurance brokers and insurance consultants.
Form 3	Application for Approved Person Status	Clarified certification process and made a few other amendments to be in line with other Volumes of the CBB Rulebook.
Reporting Forms		
ALF	Annual License Fee	Amended filing instructions on where to send completed Form ALF and related information.
Supplementary Information		
BR-(iii)	Appointed Experts Report	Replaced Appendix EN-1 with new Appendix BR-(iii).