



EDFIS/C/004/2022

23<sup>rd</sup> February 2022

**The Chief Executive Officer**  
All Investment Firm Licensees  
Manama  
Kingdom of Bahrain

Dear Sir/Madam,

**CBB Rulebook: Volume 4 (Investment Business)**  
**January 2022 Update**

The January 2022 quarterly update to Volume 4 has now been incorporated in the website version of the Rulebook.<sup>1</sup>

**Changes for January 2022:**

The changes for January 2022 are listed in the attached table.

Licensees must ensure that all relevant staff are informed of the latest amendments and that where needed, appropriate action is taken to ensure full compliance. Licensees which are not in full compliance must notify the CBB with immediate effect and provide an action plan for compliance on a quarterly basis.

**Further Information:**

Should you have any queries regarding these updates, you may contact the Director of Financial Institutions Supervision Directorate, on 17547968 or the CBB Rulebook team at [rulebook@cbb.gov.bh](mailto:rulebook@cbb.gov.bh).

Yours faithfully,

**Abdul Rahman Al Baker**

Enclosure: Volume 4 Update Table.

<sup>1</sup> Volume 4 can be accessed from [www.cbb.gov.bh](http://www.cbb.gov.bh) : from the Home page, select 'Rulebook'.

## CBB Rulebook (Volume Four) – January 2022 Update

PART A FOLDER		
Module Code	Module Title	Summary of Changes and Printing Instructions
AU	Authorisation	AU-A.1.3 Amended Paragraph.
		AU-A.1.5 Amended Paragraph.
		AU-A.1.10 Deleted Paragraph.
		AU-B.1.2 Amended Paragraph.
		AU-1.1.6 Amended Paragraph.
		AU-1.1.8 Amended Paragraph.
		AU-1.1.13A Paragraph moved to AU-1.1.24.
		AU-1.1.18C Added a new Paragraph on Category 4 Investment Firms.
		AU-1.1.18D Added a new Paragraph on Category 4 Investment Firms.
		AU-1.1.18E Added a new Paragraph on Category 4 Investment Firms.
		AU-1.1.18F Added a new Paragraph on Category 4 Investment Firms.
		AU-1.1.24 Amended Paragraph.
		AU-1.1.24B Amended Paragraph.
		AU-1.4.48 Amended Paragraph.
		AU-5.4.1 Amended Paragraph.
BR	Reporting Requirements	BR-1.1.4 Amended Paragraph on submission of Forms.
		BR-1.1.12 Deleted Paragraph.
		BR-1.2 Deleted Section.
		BR-1.4.3 Amended Paragraph.
		BR-1.4.4 Delete Paragraph.
		BR-1.4.7 Amended Paragraph.
		BR-1.4.8 Amended Paragraph.
		BR-1.4.9 Amended Paragraph on submission of the PIIR.
		BR-1.4.9A Amended Paragraph on submission of a complaint handling procedures report.
		BR-1A.4.2 Amended Paragraph on the submission of the written assessment of the observations/issues raised in the Inspection draft report.
		BR-1B.4.1 Amended Paragraph.

## CBB Rulebook (Volume Four) – January 2022 Update Contd.

PART A FOLDER		
Module Code	Module Title	Summary of Changes and Printing Instructions
C4	Category 4 Investment Firms	New Module.
FC	Financial Crime	<p>FC-A.1.4 Amended Paragraph to replace financial crime with money laundering and terrorism financing</p> <p>FC-C New chapter on risk-based approach (RBA)</p> <p>FC-1.1 Amended Section to introduce additional rules for non-resident customers, amendments to customers onboarded prior to full completion of customer due diligence, digital onboarding etc.</p> <p>FC-1.2 Amended Section to include E-KYC and electronic documents law requirements.</p> <p>FC-1.3 Amended Section on enhanced due diligence requirements for customers identified as having higher risk profile.</p> <p>FC-1.4 Amended Section to introduce detailed requirements for digital onboarding and related requirements.</p> <p>FC-1.5.2 Amended Paragraph on onboarding non-Bahraini PEPs using digital ID applications.</p> <p>FC-1.6. Amended Section on Enhanced Due Diligence: Charities, Clubs and Other Societies.</p> <p>FC-1.10.8A Added a new Paragraph on not applying simplified CDD in situations where the licensee has identified high ML/TF/PF risks.</p> <p>FC-2.2.5 Amended Paragraph.</p> <p>FC-3.3.1B Amended Paragraph.</p> <p>FC-3.3.2 Amended Paragraph.</p> <p>FC-3.3.5 Amended Paragraph.</p> <p>FC-3.3.6 Deleted Paragraph.</p> <p>FC-3.3.7 Deleted Paragraph.</p> <p>FC-5.1.6A Deleted Paragraph.</p>



## CBB Rulebook (Volume Four) – January 2022 Update Contd.

PART A FOLDER		
Module Code	Module Title	Summary of Changes and Printing Instructions
GR	General Requirements	GR-2.1.1 Amended Paragraph on licensee legal and corporate name. GR-2.1.3 Amended Paragraph on change in licensee legal name.
HC	High-Level Control	HC-1.11.2 – HC-1.11.4 Deleted Paragraphs. HC-1.11.6 Deleted Paragraph.
RM	Risk Management	RM-9.1 Enhanced Section on Cyber Security Risk Management.

### Part B

PART B FOLDER		
CBB Authorisation Forms		
Form 4	C4 Investment Firms Authorisation	New
Form 3	Application for Approved Person Status	Amended Section IV by amending definition of family in the footnote to refer to any family relationship
CBB Reporting Forms		
RM-1	Cyber-Security Incident Form	New