



EDBS/KH/C/31/2016
21st July 2016

The CEO/General Manager
All Financing Companies
Manama
Kingdom of Bahrain

Dear Sir,

CBB Rulebook: Volume 5 (Specialised Licensees: Financing Companies)
July 2016 Update

The July 2016 quarterly update to Volume 5 has now been incorporated in the website version of the Rulebook.¹

Changes for July 2016

The changes for July 2016 are listed in the attached table.

Outsourcing of Functions Containing Customer Information

Financing companies are reminded that they must submit to the CBB quarterly progress reports on the steps and procedures taken in implementing the requirements of Paragraph OM-2.9.2. The progress report must be provided to the licensee's supervisory point of contact at the CBB and the first report must be submitted by 31st July 2016.

Further Information

Should you have any queries regarding these updates, you may contact the CBB Rulebook team at (rulebook@cbb.gov.bh), or the normal supervisory point of contact.

Yours faithfully,


Khalid Hamad

Enclosure: Volume 5 Update Table.

¹ Volume 5 can be accessed from www.cbb.gov.bh : from the Home page, select 'Regulatory Functions' and then 'Laws & Regulations' and CBB Rulebook. Alternatively, use the 'Quick Links' facility on the Home page to access the Volume 5.

CBB Rulebook (Volume 5) – July 2016 Update

PART A FOLDER Common Modules		
Module Code	Module Title	Summary of Changes and Printing Instructions
FC	Financial Crime	FC-1.2.8: Change made for consistency across CBB Rulebook. FC-1.5.4: Definition of PEPs is already included in Glossary so this guidance paragraph was deleted. FC-5.2.3: Updated instructions for STR.
EN	Enforcement	EN-B.4.5: Corrected typo.

PART A FOLDER Specific Financing Companies Modules		
Module Code	Module Title	Summary of Changes and Printing Instructions
BC	Business Conduct	BC-3.6: Added new Section on transaction advice.
OM	Operational Risk Management	OM-2.9: Added new Section dealing with outsourcing of functions containing customer information.

PART B FOLDER		
Glossary		
Amended definition of Politically Exposed Persons (PEPs).		
Authorisation Forms		
Form 1	Application for a license	Updated to reflect issuance of new Modules in Volume 5 and to clarify information requested.
CBB Reporting Forms		
STR	Suspicious Transaction Report	Form deleted as all STR must be filed using the STR online system.
Appendix BR-1	PIRFM—Prudential Information Report for Financing and Microfinance Institutions	Added missing formula under D4-Exposures.