



EDFIS/C/004/2012  
26<sup>th</sup> February 2012

**The CEO/General Manager**  
All Listed Companies  
Self-Regulatory Organisations (SRO)  
SRO Members  
Legal Firms  
Auditing Firms  
Manama  
Kingdom of Bahrain

Dear Sir,

**CBB Rulebook, Volume 6 (Capital Markets):**  
**January 2012 Quarterly Update**

This letter summarises the changes being made to Volume 6 (Capital Markets) of the CBB Rulebook. These changes will shortly be posted on the CBB website, at which point they will have immediate effect.<sup>1</sup>

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 6, however minor, are highlighted. The searchable version of the Rulebook, in addition, allows users to list changes and compare different versions of the Rulebook.

**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 January 2012**

The changes for January 2012 are listed in the attached table.

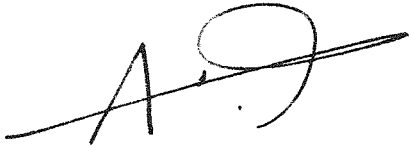
Any changes are communicated to Rulebook users as well as posted on the CBB website.

<sup>1</sup> Volume 6 can be accessed from [www.cbb.gov.bh](http://www.cbb.gov.bh) : from the Home page, select 'CBB Rulebooks' and then 'Volume 6'.

**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 the Director of the Capital Markets Supervision (CMS) Directorate, Mr. Ali Salman Thamer (on 17547909, or via email at: [ali@cbb.gov.bh](mailto:ali@cbb.gov.bh)).

Yours faithfully,



**Abdul Rahman Al Baker**

*Enclosure: January 2012 quarterly update table*

## CBB Rulebook (Volume 6) – January 2012 Quarterly Update

### Summary of Changes and Printing Instructions for Hard Copy Users

*N.B. All changes to the previous text of the items listed below are highlighted in colour in the PDF versions of Volume 6 posted on the CBB website, to aid users. The searchable version of the Rulebook also allows users to list changes and to compare different versions of the Rulebook.*

PART A FOLDER		
Module Code	Module Title	Summary of Changes and Printing Instructions
HC	High-Level Controls (Corporate Governance)	<p>HC-A.1.12: Changed Guidance to Rule.</p> <p>HC-B.3.2, HC-8.3.8 and HC-10.3.2: Corrected typos.</p> <p>HC-1.2.2: Amended to be consistent with other Volumes of the CBB Rulebook.</p> <p>HC-1.2.5 and HC-1.5.3: Clarified that the chairman may delegate specific duties dealt with in these Paragraphs.</p> <p>HC-1.4.5: Changed Rule to Guidance to be aligned with other Volumes of the CBB Rulebook.</p> <p>HC-1.4.6A: Added new Paragraph clarifying that the chairman must not be the same person as the CEO.</p> <p>HC-1.8.6: Changed Rule to Guidance to be aligned with other Volumes of the CBB Rulebook.</p> <p>HC-2.2.3: Aligned text with other Volumes of the CBB Rulebook.</p> <p>HC-3.2.1, HC-3.3.2, HC-4.2.2, HC-5.2.1, HC-5.3.3, HC-5.6.6, HC-6.2.1 and HC-7.5.1: Amended to be in line with other Volumes of the CBB Rulebook.</p> <p>HC-8.3: Clarification made on disclosure in annual report.</p> <p>HC-10.2.1A: Added guidance for CMSPs.</p> <p>HC-10.8.2: Corrected cross reference.</p> <p>Appendix A: Amended criteria for audit committee member.</p>

PART B FOLDER	
Reference	Summary of Changes and Printing Instructions
Glossary of Defined Terms	Clarified definition of independent director.