



EDFIS/C/019/2016
15th March 2016

Chief Executive Officer/General Manager
All Ancillary Service Providers
Manama
Kingdom of Bahrain

Dear Sir,

**CBB Rulebook: Publication of Volume 5 (Specialised Licensees:
Ancillary Service Providers)**

Volume 5 (Specialised Licensees: Ancillary Services Providers) of the Rulebook replaces all existing supervision circulars for Ancillary Service Providers, effective from the date of this letter.

As a follow up to the consultation process undertaken earlier, I am pleased to report that the specific Modules AU, GR and BR dealing with Ancillary Service Providers are now finalised and being issued as part of Volume 5 of the CBB Rulebook. The pdf version of Part A of Volume 5 (which contains directives for Ancillary Service Providers) and its supporting Glossary found in Part B, are attached to this letter and the HTML version will shortly be available on the CBB Website. **This letter contains important information on how Volume 5 is to be accessed and used by Ancillary Service Providers. Please disseminate this information within your organisation and take the actions required set out below.**

Accessing Volume 5

The Rulebook will be available on the CBB website¹. The website version of the Rulebook acts as the definitive text, in case of any discrepancies.

Using the Rulebook

A User's Guide which can be found at the start of Volume 5 (Specialised Licensees) provides detailed guidance on how to use the Rulebook. Here are a few more comments that may assist you in using Volume 5.

¹ Volume 5 can be accessed from www.cbb.gov.bh : from the Home page, select 'CBB Rulebooks' and then 'Volume 5'.

- 1) Volume 5 (Specialised Licensees) is made up of common Modules and specific Modules. The common Modules include the following:
 - User's Guide (UG);
 - Financial Crime (FC);
 - Auditors and Accounting Standards (AA);
 - Enforcement (EN); and
 - Principles of Business (PB).
- 2) The specific Modules pertaining to Ancillary Service Providers include the following:
 - Authorisation (AU);
 - CBB Reporting (BR);
 - General Requirements (GR);
 - Risk Management (to be issued); and
 - High-level Controls (HC) (to be issued).

All Ancillary Service Providers should now use Volume 5 as their reference for applicable supervisory rules and guidance. All former circulars for Ancillary Service Providers are now replaced by Volume 5 of the CBB Rulebook.

- 3) When required, **the Rulebook will be updated quarterly by way of the CBB website.** Amendments or additions will be posted on the website after each end-calendar quarter (i.e. in early January, April, July and October).

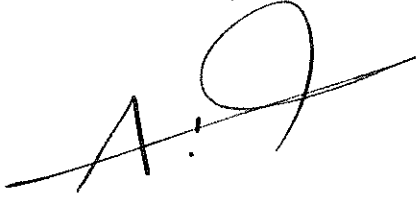
An e-mail summarising any significant changes will be sent to licensees every quarter. **Please notify the CBB of an email address (preferably that of your Compliance Officer) to which these notifications may be sent.**

Detailed guidance on how the Rulebook is updated is contained in the attachment to this letter.

- 4) Each Rulebook Volume is divided into Modules covering a particular subject (e.g. "Authorisation"). Modules are then divided into Chapters, Sections and Paragraphs. Each paragraph is individually numbered so that cross-referencing is made much easier for the reader. Guidance on the structuring and formatting of the Rulebook is provided in Chapter 2 of the User's Guide.
- 5) Part B of the Rulebook includes the authorisation and reporting forms as well as other supplementary information.

The CBB hopes that the Rulebook will significantly enhance the transparency and accessibility of its supervisory process, and will prove a positive contribution to licensees operating in the Kingdom of Bahrain. Any general comments or feedback would be welcomed; these should be sent by e-mail to Rulebook@cbb.gov.bh.

Yours faithfully,



Abdul Rahman Al Baker

Enclosures.

CBB RULEBOOK MAINTENANCE

This detailed guidance is an attachment to letter EDFIS/C/019/2016 of 15th March 2016, regarding the publication of Volume 5 of the CBB Rulebook. It should be communicated to a licensee's Compliance Officer, and other relevant officials.

Rulebook structure

1. Each Volume of the Rulebook is divided into two Parts, a Part A and a Part B. Part A contains the directives and regulations, comprising Modules arranged in groups according to their subject matter. Part B contains supporting material, namely a Glossary of Definitions, CBB authorisation and reporting forms and other Supplementary Information.
2. Each Module in a Volume is referenced using a two-letter code that is usually a contraction or abbreviation of its title (e.g. "FC", for "Financial Crime"). These codes are used for cross-referencing within the text.
3. Each Module consists of Chapters, categorised into two types:
 2. A standard introductory chapter (referenced with a letter: e.g. FC-A); and
 3. Chapters containing the directives and regulations themselves (referenced with a number: e.g. FC-1, FC-2, etc.)
4. Chapters are further sub-divided into Sections (numbered consecutively after the Chapter number: e.g. FC-1.1, FC-1.2 etc). In turn, Sections are sub-divided into Paragraphs (numbered consecutively after the Chapter and Section numbers: e.g. FC-1.1.1, FC-1.1.2 etc.). Where appropriate, headings may also be used within a Section: sub-section headings are italicised and unnumbered.
5. Page numbering starts afresh for each Section. Thus, when directives and regulations are updated, only the relevant Section needs to be reissued.

Version control

6. The contents page for each Module, and each page in a Module, is given its own issue date. The contents page thus acts as a summary checklist of the current issue date in force for each Section.

Quarterly Updates

7. The CBB Rulebook is updated, when required on a quarterly cycle. New versions of each Module are created in the month following each end-calendar quarter: i.e., in January, April, July and October. They are dated accordingly (e.g. "April 2016").

E-mail notifications

8. After each end-calendar quarter, when the website version of the Rulebook is updated, a standard e-mail is sent by the CBB to each licensee's designated point of contact, providing:
 - (i) A very brief "headline" summary of changes or additions (if any) to the directives and regulations in the Volume of the Rulebook concerned; and
 - (ii) Where (i) applies, for each Module affected, a list of the new/amended Sections concerned, with the reminder that these updated Sections should be consulted from the website version.

Queries

9. General enquiries regarding the administration of the Rulebook should be addressed to the Rulebook Section, in the CBB's Licensing & Policy Directorate. They should be contacted by e-mail, on Rulebook@cbb.gov.bh. Enquiries regarding interpretation of policy should be addressed by licensees to their regular supervisory contact, as before.