



EDBS/KH/C/47/2017
12th September 2017

Chief Executive Officer

All Retail Banks
Bahrain Association of Banks
Manama, Kingdom of Bahrain

Dear Sir,

Amendments to Financial Crime Module (FC)

The Central Bank of Bahrain ('CBB') is issuing an amendment to the requirements under Module FC of Volumes 1 and 2. The updated requirement reads as follows:

FC-1.1.13D Retail banks shall continue to open accounts for companies under formation, which have been granted a commercial registration but not yet completed all other formalities.

FC-1.1.13E In order for the companies to operate the accounts, they shall be required to complete the KYC and other establishment requirements within a period of six months from the date of opening the account. The period of six months shall be extendable subject to a bilateral understanding between the two parties, taking into account the official required procedures of obtaining the license.

FC-1.1.13F If the company under formation did not complete the license formalities nor submitted all required KYC documents to the subject bank within the agreed period and the company is not cooperating with the bank, the account of the company must be classified as dormant.

FC-1.1.13G Retail banks must notify the Ministry of Industry, Commerce and Tourism when the account of companies under formation is classified as dormant and/or when the initial capital is withdrawn.

FC-1.1.13H Closure of the accounts thereafter shall be subject to the discretion of the bank.

The amendment is effective immediately.

The above-stated amendment will be incorporated in the relevant module in the upcoming CBB Rulebook update.

Please also find attached the industry's feedback statement on the subject.

Yours faithfully


Khalid Hamad