



EDBS/KH/C/58/2018
30th August 2018

Chief Executive Officer
All Retail Banks
All Financing Companies
Manama
Kingdom of Bahrain

Dear Sir,

Re: BD-USD Exchange Rate on Cards

It has come to the CBB's attention, that cards issuing licensees are using higher BD-USD Dollar exchange rates, i.e. above the official exchange rate cap which is 0.3780, set by the CBB via its Circular No. EDFIS/C/042/2016 when billing customers on card transactions conducted in foreign currencies and routed through international payment network operators.

Accordingly, all concerned licensees must amend their systems and procedures and their current arrangements with the international payment network operators to be in full compliance with the CBB above requirement on exchange rate with immediate effect. Failure to comply with the official exchange rate will subject the licensees to enforcement measures as per the CBB Law and Enforcement Module of the CBB Rulebook.

Yours faithfully


Khalid Hamad