



EDBS/KH/C/19/2016
10th May 2016

Chief Executive Officer/General Managers
All Card Processing and Payment Service Providers
Manama
Kingdom of Bahrain

Dear Sir,

Outsourcing of Services Containing Customers' Information

As part of the Central Bank of Bahrain ('the CBB') objective to protect customers' confidentiality, Card processing and payment service providers licensees are allowed to outsource functions containing customer information, if required, only to service providers licensed by the CBB and located in Bahrain.

Any licensee which is currently in non-compliance with the above new directive must provide quarterly progress reports on the steps and procedures taken in implementing these new requirements. 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 **30th June 2016**. All licensees must be in full compliance with the above-stated directive by **30th May 2017**.

Yours sincerely,

Khalid Hamad