



EDFIS/C/042/2016

4<sup>th</sup> July 2016

**The Chief Executive Officer/General Manager**

All Retail Banks

All Money Changer Licensees

Manama

Kingdom of Bahrain

Dear Sir,

**Re: US Dollar Parity Rate**

Reference is made to Decree No. (48) issued on 25<sup>th</sup> December 2001, fixing the exchange rate of the Bahraini Dinar to the Dollar as US Dollar 2.659 to the Bahraini Dinar.

It has recently come to the Central Bank of Bahrain's ("CBB") attention, that certain licensees have not been adhering to the above fixed rate. Therefore, it is required that all licensees operating in the Kingdom, are reminded of the above Decree and are to:

1. Fix their exchange rate of the US Dollar to the Bahraini Dinar to US Dollar 2.659 (i.e. BD 0.37608), setting a ceiling rate for selling the US Dollar of not more than BD 0.3780.
2. Refrain from charging any fees/commissions on US Dollar Foreign Exchange transactions.

Failure to comply with the above instructions will lead to the CBB imposing enforcement measures in accordance with the Enforcement Modules of CBB's respective Rulebook Volumes.

Yours faithfully,

**Abdul Rahman Al Baker**