



EDFIS/C/039/2013
25th November 2013

The Compliance Officer
All Investment Firm Licensees
Manama
Kingdom of Bahrain

Dear Sir,

CBB Rulebook: Volume 4 (Investment Business)
October 2013 Update

The quarterly update to Volume 4 has now been incorporated in the website version of the Rulebook.¹

This letter highlights changes introduced this quarter. Licensees are required to note any policy changes. In addition, recipients who wish to update their hard copy folders should access the Central Bank of Bahrain ('CBB') website and print off the relevant pages for insertion into their folder.

All changes are highlighted in colour in the PDF versions of the Modules included on the CBB's website. All changes to the text of the previous version of Volume 4, however minor, are highlighted. The searchable version of the Rulebook, in addition, allows users to list changes and compare different versions of the Rulebook.

Part A Modules

Contents Pages and Module History

The contents page for each Module shows the date each section was last changed and provides a good reference tool to keep track of the latest updates along with the Module History.

Changes for October 2013

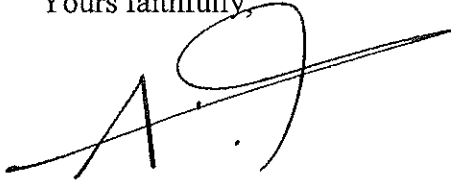
The changes for October 2013 are listed in the attached table.

¹ Volume 4 can be accessed from www.cbb.gov.bh : from the Home page, select 'CBB Rulebooks' and then 'Volume 4'.

Further Information

Should you have any queries regarding these updates, you may contact the CBB Rulebook team at (rulebook@cbb.gov.bh), or the Director of Financial Institutions Supervision Directorate on 17547968.

Yours faithfully,



Abdul Rahman Al Baker

Enclosure: Volume 4 Update Table.

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PART A FOLDER		
Module Code	Module Title	Summary of Changes and Printing Instructions
All Modules	N/A	Print off the Table of Contents page for each Module and the Module History Section when changes have been made.
ES	Executive Summary	ES-1.3.6: Removed reference to Deputy Money Laundering Officer to be aligned with the Rule under Paragraph AU-1.2.2 that was amended in January 2011. ES-1.7.1, ES-1.13.1 and ES-2.5.2: Removed reference to appointed representatives.
HC	High-level controls	HC-2.2.4 and HC-2.2.6: Removed reference to appointed representatives.
GR	General Requirements	GR-B.1.2 and GR-8: The Chapter on appointed representatives was deleted.
CA	Capital Adequacy	CA-3.1.3: Removed reference to appointed representatives.
BC	Business Conduct	BC-1.1.4: Clarified language BC-2.3.15 and BC-2.3.17: Clarified the application of these two Paragraphs to the employees of the investment firm licensee.
RM	Risk Management	RM-1.1.10 to RM-1.1.14: Amendments made to allow overseas investment firm licensees to outsource the risk management function to their head office, subject to the CBB's prior written approval.
TC	Training and Competency	Module TC: Removed references to Deputy Money Laundering Officer (DMLRO) to be in line with changes made to Module AU in January 2011. Module TC: Removed references to appointed representatives.
BR	CBB Reporting	BR-1.4.11: Aligned defined term with Glossary. BR-2.2.5, BR-2.2.26, BR-2.3.6 and BR-3.2.2: Removed reference to appointed representatives.

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PART B FOLDER		
Glossary		
Removed the term appointed representative(s).		
CBB Reporting Forms		
Form 3	Application for Approved Person Status	Removed the reference to Deputy Money Laundering Officer