



EDFIS/C/002/2012
19th February 2012

The Compliance Officer
All Insurance Licensees
Manama
Kingdom of Bahrain

Dear Sir,

CBB Rulebook: Volume 3 (Insurance) – January 2012 Update

The January 2012 quarterly update to Volume 3 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 3, 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 January 2012

The changes for January 2012 are listed in the attached table. Changes to Module HC are applicable as of 31st December 2011.

Payment of Annual License Fees

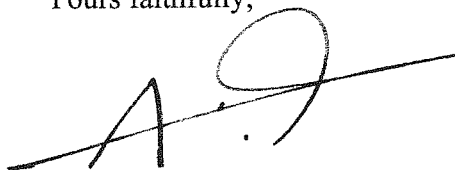
¹ Volume 3 can be accessed from www.cbb.gov.bh : from the Home page, select 'CBB Rulebook', Volume 3.

All licensees are reminded that they must comply with the requirements of Section AU-6.3. The due date for the 2012 annual license fees is 30th April 2012. When submitting their payment, licensees should complete the Form ALF, included under Volume 3 (Insurance)/Part B/Reporting Forms available on the CBB Website which provides detailed instructions on how the payment of fees must be made.

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 Insurance Supervision on 17547302.

Yours faithfully,



Abdul Rahman Al Baker

Enclosure: Volume 3 Update Table.

CBB Rulebook (Volume Three) – January 2012 Update

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.
HC	High-level Controls	<p>HC-B.2.2: Clarified language related to corporate governance.</p> <p>HC-1.2.5 and HC-1.6.3: Clarified that the chairman of the board may delegate specific duties deal with in these Paragraphs.</p> <p>HC-1.4.4B: Corrected typo.</p> <p>HC-1.5.7, HC-1.5.7A and HC-1.5.7B: Clarified rule and guidance on the chairman of the Board.</p> <p>HC-1.10.1: Deleted last sentence.</p> <p>HC-5.6.6: Amended Paragraph.</p> <p>Appendix D: Disclosure to shareholders amended.</p>
BC	Business Conduct	<p>BC-4.2 and BC-4.3: Minor corrections to correct typos and clarify language.</p> <p>BC-4.3.9: Paragraph deleted as it repeats what is in Paragraph BC-4.3.7.</p>
FC	Financial Crime	FC-3.3.5 and FC-3.3.6: Amended to reflect the addition of approved consultancy firm.

PART B FOLDER		
Module Code	Module Code	Module Code
Glossary of Defined Terms		
Amended definition of independent director.		
Reporting Forms		
ALF	Annual License Fee	Amended to clarify the payment of fixed annual fee.